

FBIS

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GUOJI WENTI YANJIU ON 'PLAN TO RESHAPE NATO'

HK081400 Beijing GUOJI WENTI YANJIU in Chinese No 1, 13 Jan 85 pp 36-40

[Article by Qian Nengxin and Sun Guoqin: "'Plan To Reshape NATO' and the U.S.-European Alliance"]

[Text] The U.S. weekly TIME carried on 5 March last year a long article by Kissinger titled "A Plan to Reshape NATO" (hereinafter called "plan"). This plan has aroused response from Europe and America. Although the responses to this plan from different parties are not all the same, one can see some changes emerging in the U.S.-European alliance from this tentative policy proposal by Kissinger and in light of some indications.

I

Kissinger's "plan" is comprised of three parts, with emphasis placed on the security problem. The first part discusses indications of tension in the U.S.-European relations within NATO under the present international circumstances; the second part analyzes the reasons for the tension in the U.S.-European relations; and the third part suggests some policies to consolidate unity within NATO in the new situation. The "plan" is based on the major view that the present controversies in NATO are unprecedented and unsettling.

NATO is now faced with four major problems: 1) A unanimously agreed upon reliable strategy is not available. The strategy of a "flexible response" devised in the 1960's, which is handicapped by some vital shortcomings, has failed to gain public support in Western Europe. 2) The United States and Europe do not take identical stands toward the deployment and control of intermediate- and long-range nuclear weapons. 3) There is a difference of opinion between the United States and Europe regarding the attitude toward the Soviet Union and East-West relations. 4) The United States and Europe are adopting different policies in their relations with the Third World.

Under such circumstances, the Atlantic alliance "has to find a good and powerful remedy which can effect a cure once and for all." A reconsideration of the alliance's structure, theory, and the common goal that unites its members have become an urgent need. The "plan" maintains that Western Europe, which has already gained strong economic power and shown a desire to be independent of the United States, should play a more important role in NATO. It also suggests that NATO carry out a reform of its structure and make a new evaluation of its present military deployment. To be precise, Western Europe's share of work should be concentrated on the conventional defense of the European Continent -- West Europe should shoulder the main responsibility for conventional ground defense by 1990.

If Western Europe refuses to strengthen its conventional forces, the United States will gradually withdraw half its ground forces currently stationed in Europe. The post of supreme commander of the European allied forces, which has been traditionally held by the Americans, should be handed over to the Europeans, while the post of NATO secretary general will be retained by the Americans. Western Europe should take over from the United States the negotiations with the Soviet Union on the intermediate- and long-range nuclear weapons and on the balance of arms in central Europe. It is necessary to strengthen political coordination and work out an overall strategy on the relations between the East and the West and the relations between the West and the Third World to be pursued from now to the end of the century so as to "bring the alliance into a new and flourishing period."

The presentation of the "plan" by Kissinger is by no means a mere accident. It is put forth to suit a complicated historical background and to meet the urgent needs of the present situation.

The Atlantic alliance was established on a very unequal basis in the initial postwar period. On the one hand, there was a great disparity in economic strength between the United States and Europe -- the United States dominated with regard to economic strength while Western Europe, which suffered heavy losses in the war, had to be slavishly dependent on the United States in the economic field. On the other hand, Western Europe had to rely still more on U.S. military protection. The alliance at that time was an "alliance characterized by the domination of the United States over Western Europe, which was in a passive position."

The balance of power inside and outside the alliance underwent enormous changes in the 1970's. In the first place, the increase in Western Europe's economic strength within the alliance radically changed the balance of economic power between the United States and Western Europe. With a total GNP comparable to that of the United States, the 10-nation European Community has become the foremost economic and trade group in the world. By regularly coordinating their stand on some major international issues, the EC is playing an essential political role. Under such circumstances, it is no longer possible for the United States to lead and control the alliance as it did in previous days.

In the next place, as the Soviet Union has devoted great efforts to arms expansion, the balance of military power between the United States and the Soviet Union has undergone a change unfavorable to the United States. The Soviet Union's strategic nuclear force has not only grown to be generally comparable to that of the United States, but has further consolidated its superiority in conventional military strength and gained the upper hand in intermediate-range nuclear forces in Europe.

This development has resulted in a change in the United States' strategic position. It is now questionable whether the United States still holds the decisive position in use of strategic nuclear arms, fearless of any nuclear retaliation, in case of conventional military conflict between NATO and the Warsaw Pact countries breaks out and escalates. The security of Western Europe, being dependent upon U.S. nuclear protection, is now faced with a more direct and serious threat since the reliability of the U.S. nuclear umbrella is questionable. More and more U.S. and European strategists have acknowledged the necessity of systematically replacing the strategy of a flexible response that is no longer "effective" with a "new strategy, which takes conventional forces as its focus and nuclear weapons as auxiliary points."

Furthermore, as a result of the controversy over "intermediate-range missiles," the direct competition and acute confrontation between the United States and the Soviet Union in Europe has been aggravated, the nuclear arms race between them has been further escalated, and the disputes over the questions on defense and detente have once again become conspicuous between the United States and Europe. This is particularly so between the United States and the FRG, which has long been regarded as the "steadfast cornerstone" of the alliance.

In FRG press circles, there is widespread worry over the possibility that the FRG may find itself permanently in a "tributary status," which may not only dash the hope of German reunification, but also turn the FRG into the first battlefield (or possibly the unique battlefield) in U.S.-Soviet nuclear conflicts once a war breaks out.

To cite a most notable example, in the autumn of 1983 the FRG Social Democratic Party even forsook its original stand for the NATO "dual resolution" and turned against the plan of U.S. missile deployment, thus overturning the 25-year old unanimity on the defense issue between the government and the public of the FRG. The United States feels extremely anxious about this change in view of the FRG's important strategic role in the alliance.

As far as the security issue is concerned, West European countries' policy of allying with the United States in joint resistance to the Soviet Union remains unchanged. But they have changed some of their specific points. Most governments in Western Europe have urged the United States and the Soviet Union to resume talks, while withstanding pressure from the Soviet Union and supporting the United States in the deployment of the first batch of "intermediate-range missiles." Although they are not anticipating a unilateral concession by the United States, they are trying to push the United States to maintain a low level balance instead of seeking superiority. Meanwhile, they are also making great efforts to find a way to strengthen cooperation in the defense of Western Europe, with the aim of reducing their dependence on the United States.

At the same time, Western Europe is eager to maintain a relaxed relationship between the East and the West. Several West European countries have taken the initiative one after another in improving their relations with the Soviet Union, have actively opened dialogues with East European countries, and have firmly opposed the U.S. economic and trade sanctions against the Soviet Union and East European countries.

The West European countries are not in favor of the expansion of the NATO defense arena, but support conditional cooperation with the United States in its operation, while the United States, spurred by its hegemonist motives, is trying its best to enlist Western Europe's support for its struggle with the Soviet Union for hegemony.

By and large, the U.S.-European alliance is faced with more complicated military, political, and structural problems under the new circumstances. However, the alliance has so far failed to find an appropriate solution to these problems and to make corresponding adjustments. Facing the reality squarely, Kissinger admitted in his report that the origin of the tense relations between the United States and Western Europe lies not only in the specific policies of both sides, but also in the "infeasibility of the present NATO structure" and the "imbalance between the existing arrangements." If the current trend continues, it will "surely lead to the demoralization of the Western alliance."

Kissinger's analysis has indeed struck home. In fact, the responsible people of four Western international relations research institutes predicted a few years ago in a report on European-U.S. relations: "The crisis in U.S.-European relations, as a product of the complicated historical and structural trends, will not vanish once the international situation calms down." (Footnote 1) (In February 1981, (?Kaiser) [0418 34190, director of the research institute of the FRG diplomatic society; (?Demonbrillard) [1795 5539 1580 6849 0068 1422], director of the French International Relations Research Institute; and (?Wat) [3907 3676], head the British Royal International Affairs Research Institute, jointly presented a research report titled "Security of the West: What Has Happened and What Should Be Done?")

In face of the serious threat from the Soviet Union, the United States and its European partners cannot but look squarely at the conspicuous difference of opinion within the alliance, carry out corresponding reforms, and readjust the alliance's imbalanced structure, as well as its strategy and tactics, which have long been characterized by ambiguity and lack of unanimity.

Such a desire for reform and readjustment has been particularly strongly demonstrated in the debate between the United States and Europe on the intermediate-range missile issue. By and large, the United States and Europe have to establish new and more equal allied relations between them. This "plan to reshape NATO," which Kissinger published in his own name on the eve of 35th anniversary of the founding of NATO while the great debate was still going on is of profound significance. Although this "plan" does not represent the opinion of the U.S. Government, some of its principal viewpoints and suggestions are to the latter's liking. Obviously, the presentation of Kissinger's "plan" shows that the United States has to accept a reshaping of NATO in response to the trend because the U.S. control of the alliance has been substantially weakened, and that the U.S. ruling circle exert pressure on Western Europe and try to bring the imperative reshaping of NATO into line with the U.S. strategy.

II.

Both the governments and the public, as well as the media, in Western Europe responded, directly or indirectly, to the "plan" soon after its publication. The "plan" has aroused comment in Western Europe since it has catered to the idea of "NATO reshaping" and has touched on some substantive issues of NATO concerning its military and political strategy as well as structural reform. But this by no way means that Western Europe is willing to reshape NATO along the U.S. line and according to the U.S. global strategy or agrees to the specific proposal put forth by Kissinger.

1. With respect to the military strategy of the alliance, Western Europe basically agrees to Kissinger's argument on the fatal weaknesses of the alliance's strategy, holding that it is an urgent need for the alliance to take necessary actions to improve its ability to make a flexible response before a new strategy is worked out.

Western Europe agrees in principle to the idea of raising the alliance's bargaining power in nuclear talks by increasing its conventional force, but it is quite disgusted with Kissinger's suggestion of a possible withdrawal of U.S. troops as a step to push Western Europe to strengthen conventional defense. Western Europe emphasizes that its security depends on the United States' military presence, with the nuclear umbrella as a vital factor. Stressing the effective military link rather than separation between Europe and the United States, the FRG Government has definitely declared that the idea of reducing the size of the U.S. force stationed in Europe "is absolutely wrong for the moment." A choice acceptable to Western Europe is to strengthen conventional forces on the premise that the U.S. nuclear umbrella is maintained, so as to improve the alliance's ability to make a flexible response, thus minimizing the possibility of a war in Europe.

With regard to the way to strengthen conventional forces, there is also an obvious difference of opinion between the United States and Europe, first of all in regard to the proportion of each side's portion of military expense increases. The strengthening and modernization of conventional forces will inevitably result in an increase in the alliance's military expenses. Western Europe disagrees with Kissinger's proposal that the increased portion be contributed by Western Europe, complaining that its share of NATO operational expenses has continued to increase over the past 10-odd years, from 22.7 percent in 1969, to 41.6 percent in 1979. In addition, Western Europe, which has provided 90 percent of the ground forces and 80 percent of the tanks and airplanes, also emphasizes that military expenses must be reasonably shared between the United States and Europe and a "two-way road" must be adopted in regard to arms purchases. Western Europe stresses that Europe and the United States should strengthen cooperation in the arms industry, change the status quo whereby the United States monopolizes almost all branches of new technology, and implement the "two way" system for arms purchases.

2. With respect to the structural reform of NATO, Kissinger's proposal has encountered extensive objections from Western Europe. Western Europe holds that it is unrealistic to appoint a European to be the supreme commander of the European allied forces, with an American retaining the post of NATO secretary general. The FRG Government declared: The NATO military chief must be an American because "he can exert much greater influence on the U.S. President than any European does in case of a crisis."

Western Europe also disagrees about taking over from the United States the negotiations on intermediate-range nuclear forces and the central Europe joint balanced arms talks with the Soviet Union. The reason is that as nuclear arms are under the control of the U.S. President, Western Europe cannot hold talks with the Soviet Union on an issue concerning a weapon that it neither possesses nor has control of. Similarly, Western Europe cannot make a decision on behalf of the United States on a reduction of the size of the U.S. forces, which is the main theme of the central Europe joint balanced arms talks.

Western Europe holds that the NATO structural reform should be focused on changing the imbalanced state of the "U.S. pillar being too strong" and the "European pillar being too weak." Several major West European countries advocate revitalizing the West European alliance to strengthen the European pillar in NATO and coordinating the European countries' position on foreign and defense policies so as to strengthen their role and influence within NATO and reduce their dependence on the United States. However, they do not mean to establish an organization independent of the Atlantic alliance, but to form a force that acts as a complement to the alliance.

3. In regard to the formulation of the overall strategy governing relations with the Soviet Union and the Third World, Western Europe is, in principle, in favor of Kissinger's viewpoints on the formulation of the overall strategy governing the alliance's relations with the Soviet Union and East-West relations. But Western Europe and the United States have different starting points, different specific policies, and different goals. Western Europe emphasizes that the strategy toward the Soviet Union should be "positive" and still be basically oriented to "defense plus detente;" that the stability of Europe can never be built on a grim confrontation posture; and that the West should consider arms control a priority issue. Western Europe holds that the strategy should be aimed at a "balance of power" instead of "superiority;" therefore, it is necessary to strengthen contacts with the Soviet Union, carry on constructive dialogues, and expand and strengthen ties with all East European countries, including economic and trade relations. However, Kissinger holds that detente will be beneficial to the Soviet Union alone.

As for the question of the Third World, although the United States, discontent with some measures taken by Western Europe (Kissinger especially mentioned Western Europe's widespread opposition to the U.S. invasion of Grenada), thinks that Western Europe is taking advantage of the United States in regard to the affairs concerning the Third World and emphasizes that Western Europe should keep in line with the U.S. global strategy. Western Europe stresses its specific role in the Third World, a role different from that of the United States; opposes military intervention in the Third World and the extension of the influence of East-West conflicts onto North-South relations; and maintains that doing things this way will help to check Soviet expansion in the Third World.

III.

In light of the content of Kissinger's "plan" and Western Europe's reaction to the "plan," one can see that the U.S.-European debate on the reshaping of NATO, with the "plan" as a hallmark, is more in-depth than any previous debate of its kind, although the two sides do not hold completely identical views on the issue.

The reshaping of NATO is, of course, not a short-term process, and debate on it will continue to develop on an ever larger scale. The scale of the reshaping will be determined by many factors, and the key will lie in the progress made in Western Europe's joint defense program. As long as Western Europe fails to gain relative independence with regard to the defense issue, its position in the alliance can not possibly be upgraded accordingly.

The current situation urges Western Europe to make greater efforts to find a way to strengthen its own defense. On the one hand, under the circumstances where the strategic position of the United States itself has changed, the acute confrontation and escalated scramble between the United States and the Soviet Union in Europe have placed an increasingly urgent need for improving self-defense capacity before Western Europe, which is faced with a serious situation and feels the U.S. nuclear umbrella more and more unreliable. Such a sense of urgency has begun to lead to real action. While France, the FRG, and Britain have agreed to regularly coordinate their bilateral defense policies, the West European alliance, which has failed to play its due role since its founding 30 years ago, has not been revived, and will serve as a basis for the efforts to strengthen the "European pillar" within the Atlantic alliance.

On the other hand, strengthening conventional forces has become an imperative task. The NATO defense ministerial meeting held last spring decided to manufacture conventional arms for use in the 1990's with new technology and to make up the insufficiency in the conventional forces' technological superiority. However, the United States has now basically monopolized all the new technology and Western Europe, in its arms trade with the United States, is in a very unfavorable position (with a trade volume ratio of 1 to 7). In order to prevent dependence on the U.S. "technological protection umbrella," Western European countries are determined to strengthen cooperation among themselves in the development of new weapons. There are more and more examples to indicate this trend.

The present signs indicate that Western European countries will further their cooperation in defense. The seven member-states of the Western European alliance held a meeting of foreign ministers in Paris last June, through which a common understanding was reached. After that, for the first time, the seven countries held a foreign and defense ministerial joint meeting in Rome in October. The joint meeting adopted the "Rome Manifesto" on the strengthening of the role of the European pillar within the Atlantic alliance, a technical document, and a decision that the 7-nation foreign and defense ministerial meeting would from then on be held twice a year. The joint meeting also officially decided to lift all restriction on the FRG's production and storage of conventional weapons, thus removing all obstacles preventing the FRG from discussing the European alliance. France and Germany have virtually formed an "alliance within the alliance" in promoting defense cooperation in Western Europe.

However, due to many restrictions, Western Europe has managed to make only limited progress in defense cooperation. In the first place, Western Europe can not possibly build up its own independent defense force for a rather long period to come. This situation shows that Europe cannot go without the U.S. nuclear umbrella in the near future.

It has been pointed out in a research report on Western Europe's independence and security jointly drafted by five major foreign policy research institutes in Western Europe: The establishment of independent European defense must be based on three conditions: 1) the establishment of a European confederation system with a European government, defense ministry, and supreme commander to command the armed forces in Europe; 2) the establishment of a European nuclear force; and 3) a substantial increase in defense spending. (Footnote 2) (Research report: "The European Community Is Faced With the Alternative of Progress or Collapse," published by the five major foreign policy research institutes of the FRG, France, Britain, Italy, and the Netherlands in April 1983)

Undoubtedly, all these are impossible given the present political and economic conditions in Western Europe. Second, even if cooperation is limited to conventional defense, it will also encounter social, economic, and financial obstructions as well as problems arising from technological competition. In addition, as each Western European country has its own plan on the joint defense of Europe, an "entity with a common will" can hardly be formed. Thus it can be seen that in the near future there can hardly be any noticeable breakthrough in the efforts to reshape NATO or any tremendous changes in the structure of the U.S.-European alliance.

However, it should be noted that the progress that Western Europe has been making in consolidating its joint self-defense 35 years after the founding of the Atlantic alliance shows that Western Europe has begun to prepare the conditions for the reshaping of NATO. As long as Western Europe makes further efforts, the "European pillar" within NATO will surely grow stronger and stronger, its influence and its status independent of the United States within the alliance will increase, and the control of the two hegemonists — the United States and the Soviet Union — over the world will be weakened. This development will serve as a positive factor to the safeguarding of peace.

Kissinger put forth a series of measures in his report on NATO structural reform. These measures appear unrealistic, especially the U.S. force's withdrawal from Western Europe, which is a highly sensitive issue. Despite the pressure for withdrawal existing in the United States, the U.S. Government will never yield to it readily since Western Europe is vital to the United States in terms of its political, economic, and security needs. As one FRG scholar pointed out: "The U.S. military presence provides military protection to Western Europe on the one hand and, on the other, serves as a defense forefront for the United States itself. Furthermore, it extends the United States' political influence to the European Continent and builds up a force to resist the Soviet Union, thus serving as a force in the United States' role as a big power in the world."

If the United States takes the initiative in withdrawing its troops from Europe, this will mean the weakening of its position in the contention for hegemony with the Soviet Union and the surrender of Western Europe to further Soviet control. As soon as the United States loses Europe, it will automatically be deprived of its status as a superpower and will lose a natural barrier to defend itself. Even U.S. Defense Secretary Weinberger admitted that "a substantial reduction of the U.S. forces in Europe or withdrawal of the troops there will seriously weaken the free world and the West as a whole." Therefore, threatening to withdraw the U.S. forces is most likely a mere front to push Western Europe to undertake more obligations in self-defense, so that the United States can deploy more forces to other places in the world whenever necessary.

As far as the formulation of the overall strategy against the Soviet Union is concerned, the U.S.-European joint efforts to counter the Soviet threat will remain a key factor. However, in view of its own strategic position and interests, Western Europe is to seek a structure in which the two superpowers maintain a low-level balance of power, with Western Europe as a balancing power to maintain the relative stability in East-West relations. At the same time, Western Europe wishes to infiltrate the Soviet Union and Eastern Europe through detente, development of trade between East and West, and other means, so as to facilitate the process of peaceful evolution. Unlike Western Europe, the United States is in a different position and has different interests. Its concept of a bipolar world counters Western Europe's concept of multipolar world. The focal point of the U.S. policy toward the Soviet Union is also different from that of Western Europe. Therefore, it seems that the United States and Europe can hardly reach unanimity on the strategy toward the Soviet Union.

In regard to relations with the Third World, especially the expansion of the defense area of NATO, Western Europe still has to cooperate with the United States in an effort to check the infiltration and expansion of the Soviet Union in the areas surrounding Europe, since these areas' security and interests have important bearing on Western Europe. However, with a position, interests, and considerations different from those of the United States, Western Europe will not follow the United States in every step.

Although the United States and Western Europe still need to regularly exchange views and opinions on various problems concerning their relations with the Soviet Union and with the Third World, and will continue to coordinate their policies to a certain extent, they will not be able to solve the fundamental contradictions between them.

By and large, the reshaping of NATO will be a rather long and very complicated process. Although the balance of power between the United States and Western Europe is not necessarily in favor of the latter in light of the present situation, the "European pillar" will be erected and strengthened step by step within NATO as long as West European countries can make persistent efforts to promote unity among them. Only through this process can NATO be reshaped more reasonably. Of course, unpredictable new factors may arise in the future. For example, changes in the relations between the two superpowers, changes in the situation in the Third World, and so on, may affect the security of Western Europe and the reshaping of NATO. All these changes call for our sustained observation and study.

ILLINOIS TRADE OFFICE OPENS IN SHENYANG

OW131739 Beijing XINHUA in English 1657 GMT 13 Mar 85

[Text] Shenyang, March 13 (XINHUA) -- The U.S. State of Illinois today opened a trade office in Shenyang, capital of Liaoning Province. Liaoning and Illinois established formal bonds of friendship in 1982. The office was set up by the latter's Illinois-Liaoning Economic Committee. Governor of Illinois James Thompson, who is leading a 150-member delegation here, and his Chinese counterpart, Guan Shuren, cut the ribbon at the opening ceremony.

Last year, Liaoning signed 36 contracts on economic and technical co-operation with the United States. In an interview with XINHUA, Thompson said his state would help Liaoning build a 280-mile expressway between Shenyang and Dalian, and would co-operate on machinery, electronics, chemicals, telecommunications and agriculture. The delegation arrived here on Tuesday, and will also visit Beijing.

TEXACO CHAIRMAN FETED BY KANG SHIEN, CNOOC

OW141309 Beijing XINHUA in English 1301 GMT 14 Mar 85

[Text] Beijing, March 14 (XINHUA) -- Chinese State Councillor Kang Shien gave a banquet here today for John McKinley, chairman of U.S. Texaco Inc., and his visiting party. McKinley is on a business tour in China as a guest of the China National Offshore Oil Corporation (CNOOC). Present on the occasion was CNOOC President Qin Wencai.

BURROUGHS COMPUTER SYSTEM TURNED ON IN BEIJING

OW131741 Beijing XINHUA in English 1641 GMT 13 Mar 85

[Text] Beijing, March 13 (XINHUA) -- A large computer network system imported from the Burroughs Corporation of the United States by the Hua Feng Industry Corporation went into operation here today. Song Jian, minister in charge of the State Science and Technology Commission, cut a ribbon to launch the operation.

The system includes a large computer, capable of 2,500,000 operations per second, four smaller computers, six batch processing terminals and 78 terminals scattered around 10 districts of the capital. Speaking at the launching ceremony, Zhang Zhenlin, Hua Feng's general manager, said the system would provide services for scientific research, design work, enterprise management, data banks and information system.

Burroughs Corporation Vice President John Holton said the opening of the system was another milestone in co-operation between the two corporations. Burroughs has already provided China with over a dozen major items of computer equipment, and is now discussing the possibility of co-producing computers and establishing a training and service center in Beijing.

U.S.-CHINA FRIENDSHIP GROUP FETED IN BEIJING

OW131713 Beijing XINHUA in English 1700 GMT 13 Mar 85

[Text] Beijing, March 13 (XINHUA) -- A delegation from the U.S.-China People's Friendship Association was honored at a banquet given by the Chinese People's Association for Friendship With Foreign Countries here this evening. The banquet was hosted by the association's vice-president Zhou Erfu and Liu Gengyin. The delegation is on a working visit to China as guests of the Chinese Friendship Association.

FURTHER ON LI PENG, GORBACHEV TALK: GROUP DEPARTS

Li Conveys Hu's 'Good Wishes'

OW141415 Beijing XINHUA in English 1359 GMT 14 Mar 85

["CPSU General Secretary Receives Chinese Vice-Premier" -- XINHUA headline]

[Text] Moscow, March 14 (XINHUA) -- Mikhail Gorbachev, general secretary of the Central committee of the Soviet Communist Party, today received Chinese Vice-Premier Li Peng who is leading a Chinese Government delegation to attend the funeral of the late Soviet President Konstantin Chernenko.

Li Peng conveyed hearty congratulations and good wishes from Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party, to Gorbachev upon his assumption of office as general secretary of the CPSU.

Li Peng said that the China [as received] is in agreement with the remarks made by General Secretary Gorbachev at the recent extraordinary plenary session of the CPSU Central Committee in which he expressed hope that a major improvement would be made in Sino-Soviet relations. Li Peng said China is willing to work toward further developing of relations between the two countries in political, economic, scientific, and technical, and cultural fields. Such developments are very important for both China and the Soviet Union, the two great neighbors and socialist countries, Li Peng said, adding that improvement of Sino-Soviet relations is not only beneficial to the people of the two countries, but also to peace throughout Asia and the world as a whole.

Li Peng said that China pursues an independent foreign policy with a general goal of establishing a lasting peace. China is not aligned with nor does it establish strategic relations with other countries. China is willing to co-exist peacefully and cooperate friendly [as received] with all other countries in the world.

Li Peng expressed his conviction that the Sino-Soviet relations will be improved continuously with the joint efforts of both sides.

During the meeting Gorbachev first thanked China for sending a government delegation to attend the funeral of the late Soviet leader Konstantin Chernenko.

Gorbachev reaffirmed the Soviet Union's desire that Sino-Soviet relations improve in a major way. The Soviet Union and China should continue dialogues, heighten their level of dialogue, jointly work to reduce differences and make progress in a wider scope of areas.

Gorbachev also asked Li Peng to convey his best regards to General Secretary Hu Yaobang and other Chinese leaders.

Members of the Chinese Government delegation who attended the meeting were Vice-Minister of Foreign Affairs Qian Qichen, and Chinese Ambassador to the Soviet Union Li Zewang.

Andrey Gromyko, the first vice-chairman of the Soviet Council of Ministers and Soviet foreign minister, also attended the meeting.

Li on Foreign Policy

OW150941 Beijing in Russian to the USSR 1800 GMT 14 Mar 85

[Text] Li Peng, vice premier of the PRC State Council announced on 13 March that the general aim of the PRC's foreign policy is to preserve peace throughout the world.

China is following an independent and sovereign course in foreign affairs. Li Peng said this during his meeting with our officials accredited to the Soviet Union and Chinese students studying there.

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Vice Premier Li Peng is leading the Chinese Government delegation that attended the funeral of Chernenko, chairman of the USSR Supreme Soviet Presidium.

He said: China and the Soviet Union are two major powers. Improvement in relations between China and the Soviet Union not only meets the interests of the two nations but will be beneficial for peace in the Far East and the whole world.

He urged his audience to work assiduously in order to contribute to improving relations between the two countries.

Delegation Departs Moscow

OW150140 Beijing XINHUA in English 0125 GMT 15 Mar 85

[Text] Moscow, March 14 (XINHUA) -- The Chinese Government delegation led by Vice Premier Li Peng left here for home today after attending the funeral of the late Soviet President Konstantin Chernenko Wednesday. Soviet Leader Mikhail Gorbachev said during a meeting with Li Peng yesterday that the Soviet Union and China should continue dialogues, heighten their level of dialogue, jointly work to reduce differences and make progress in a wider scope of areas. Nikolay Talyzin, vice chairman of the Soviet Council of Ministers, saw the Chinese delegation off at the airport.

Wu Xueqian Meets Group

OW150248 Beijing XINHUA in English 0237 GMT 15 Mar 85

[Text] Beijing, March 15 (XINHUA) -- Chinese Vice-Premier Li Peng and a Chinese Government delegation led by him returned here from Moscow by special plane this morning after attending the funeral for the late President Konstantin U. Chernenko.

The delegation was met at the airport by State Councillor and Foreign Minister Wu Xueqian, Vice-Minister of Foreign Affairs Zhou Nan, and Vice-President of the Sino-Soviet Friendship Association Shi Ziming. Soviet Ambassador to China I.S. Shcherbakov was also present.

GORBACHEV HOLDS MEETINGS WITH WORLD LEADERS

Meets Warsaw Pact Leaders

OW140301 Beijing XINHUA in English 0208 GMT 14 Mar 85

[Text] Moscow, March 13 (XINHUA) -- Soviet leader Mikhail Gorbachev and leaders of Warsaw Pact nations today reaffirmed their determination to work for easing the world tension, an end to the nuclear threat, arms reduction and prevention of militarization of outer space. The meeting took place after the funeral of the late Soviet leader Konstantin Chernenko who died Sunday at the age of 74.

The leaders from Warsaw Pact nations present at the meeting were: Todor Zhivkov of Bulgaria, Janos Kardar of Hungary, Erich Honecker of Democratic Germany, Wojciech Jaruzelski of Poland, Nicolae Ceausescu of Romania and Gustav Husak of Czechoslovakia. Soviet Premier Nicolay Tikhonov and Foreign Minister Andrey Gromyko were also present.

Talks With Officials

OW141137 Beijing XINHUA in English 0642 GMT 14 Mar 85

[Text] Moscow, March 13 (XINHUA) -- The new Soviet leader Mikhail Gorbachev met separately here today leaders from Yugoslavia, India and Nicaragua who are attending the funeral of late Soviet President Chernenko.

During their meeting, Yugoslav President V. Djuranovic, party leader A. Sukrija and the new head of the Soviet Communist Party expressed their hope of further all-round cooperation between the two countries and the two communist parties on the principles of their bilateral 1955 Belgrade declaration and 1956 Moscow statement.

Mr. Gorbachev and Nicaraguan President Daniel Ortega Saavedra exchanged views on the situation in Central America and condemned U.S. interference in the internal affairs of the countries in the region.

Indian Prime Minister R. Gandhi and Gorbachev expressed in their meeting a common wish to further develop the political, economic and cultural relations between the two countries. Gorbachev reportedly accepted Mr. Gandhi's invitation to visit India. According to earlier reports, the prime minister of India will pay an official visit to the Soviet Union in May this year.

Also in Moscow, Chairman of the Council of Ministers of the Soviet Union Nikolay A. Tikhonov met with Korean Premier Kang Song-san who attended Chernenko's funeral today. Both government leaders expressed their satisfaction with the smooth development of relations between the two nations and emphasized efforts to further such relations.

Urges Nuclear Disarmament

OW141819 Beijing XINHUA in English 1621 GMT 14 Mar 85

[Text] Moscow, March 14 (XINHUA) -- The new general secretary of the CPSU Central Committee, Mikhail Gorbachev, said today that nuclear disarmament remains the most pressing issue in the world today and that the arms race must not be allowed to extend to outer space.

Meeting with U.N. Secretary-General Javier Perez de Cuellar, who is here to attend the funeral of Konstantin Chernenko, Gorbachev said that the United Nations is able as well as bound to commit itself to the solution of this problem. He also said that the Soviet Union is ready to take new measures to bolster the principles of justice and democracy in international relations.

Talks With FRG's Kohl

OW141821 Beijing XINHUA in English 1618 GMT 14 Mar 85

[Text] Moscow, March 14 (XINHUA) -- The Soviet Union will develop its relations with the Federal Republic of Germany on the basis of the Moscow treaty, respect for the existing territorial-political realities, and due consideration for each other's security interests.

This was stated by newly-elected General Secretary of the Communist Party of the Soviet Union Mikhail Gorbachev here today in a meeting with FRG Federal Chancellor Helmut Kohl who came here to attend the funeral of the late Soviet Leader Konstantin Chernenko.

TASS quoted Gorbachev as saying during the meeting that of "decisive significance" for a further development of relations between the USSR and the FRG will be what policy the FRG will pursue on matters concerning the security interests of the Soviet Union and its allies.

Meets Japan's Nakasone

OW150220 Beijing XINHUA in English 0157 GMT 15 Mar 85

[Text] Moscow, March 14 (XINHUA) -- Newly elected Soviet party leader Mikhail Gorbachev told Japanese Prime Minister Yasuhiro Nakasone here today that the Soviet Union wished to develop mutually beneficial relations in all fields with Japan.

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He said that the Soviet Union was prepared to take specific measures in this respect.

The Soviet official news agency TASS reported that as Nakasone expressed a similar wish during the meeting, Gorbachev held that the important thing was to eliminate the "man-made difficulties and restrictions that the Japanese side has put in the way of developing relations between the two countries." However, the Japanese prime minister reportedly maintained that in order to improve Soviet-Japanese relations, the problem of the northern territories left over since World War II should be resolved before a peace treaty is signed between the two countries. Nakasone hoped that Gorbachev would arrange an early visit to Japan by Soviet Foreign Minister Andrey Gromyko. Gorbachev said that the Soviet Union took a positive attitude towards Nakasone's proposal, but when and how to make the visit would be discussed later.

FURTHER ON TOUR OF NPC DELEGATION, DEPARTURE

Group Tours Leningrad

OW131353 Beijing in Russian to the USSR 1800 GMT 12 Mar 85

[Text] Having completed a 2-day visit to Leningrad, the NPC delegation returned to Moscow on the afternoon of 11 March. The delegation visited the sights of Leningrad and laid wreaths at the eternal flame in the Piskarevskoye Memorial Cemetery and at the memorial for the heroic defenders of Leningrad. Khodyrev, chairman of the Leningrad City Soviet Executive Committee, met with the NPC delegation and held a banquet in its honor. In his banquet speech, he said that contacts between the two countries' parliamentarians [words indistinct] promote the strengthening of confidence and good-neighborliness. Therefore, the official visit by PRC parliamentarians to the Soviet Union is considered a new step along the path of development of Soviet-Chinese relations. He wished for the further development of relations of cooperation between the Soviet Union and China.

Zhang Chengxian, head of the NPC delegation said in his speech: We are very pleased to see that Sino-Soviet relations have developed, thanks to the efforts of both sides. We are certain that relations between the two countries will definitely develop further. Zhang Chengxian noted that members of the Chinese delegation came with special feelings to the city bearing the name of Lenin. Leningrad was the cradle of the Great October Revolution. Leningrad residents made enormous sacrifices in the antifascist struggle. During the 90-day defense of the city, Leningrad residents, withstanding a major enemy blockade, fought heroically and (held out for) final victory, thereby accomplishing an immortal deed.

Arrives in Beijing

OW150252 Beijing XINHUA in English 0239 GMT 15 Mar 85

[Text] Beijing, March 15 (XINHUA) -- A delegation of the Chinese National People's Congress returned here this morning after a successful visit to the Soviet Union between March 3 and 14. The delegation, led by N.P.C. Standing Committee member Zhang Chengxian, was met at the airport by Wu Shichang, member, and Wang Houde, deputy secretary-general, of the N.P.C. Standing Committee; and officials of the Department of Soviet Union and East European Affairs of the Foreign Ministry. Soviet Ambassador to China I.S. Shcherbakov was also present.

FURTHER ON LI XIANNIAN'S VISIT TO THAILAND

Text of Prem Speech

HK140917 Beijing RENMIN RIBAO in Chinese 13 Mar 85 p 4

[XINHUA report: "Thai Prime Minister Prime Tinsulanon's Speech at Grand Reception To Welcome PRC President Li Xiannian"]

[Text] Your Excellency the president and Madame, all honorable guests: On behalf of the government of his majesty, the king, I am very pleased to have the honor to welcome Your Excellency the president and madame. Your presence here is proof of the further strengthening of friendship since time immemorial between our two countries, in particular since the establishment of diplomatic relations between the Kingdom of Thailand and the PRC in 1975.

This morning, we held friendly talks, which were evidence of the close and friendly relations between our two countries. The relations are based on the principles of peaceful coexistence, noninterference in internal affairs, and mutual respect for sovereignty and territorial integrity.

Your Excellency the president: Both Thailand and the PRC are developing countries with similar national development policies and lines. We both attach special significance to social and economic development by giving priority to rural development and the development of agricultural and industry for the purpose of upgrading the living standards and boosting the incomes of the majority of peasants and laborers. I am deeply convinced that the economic reforms of the PRC will promote the country's development and will help achieve its development objectives ahead of time.

Your Excellency the president: While handling its own construction according to the policy for the four modernizations, the PRC is also pursuing a policy designed to safeguard peace and stability in this region. This position deserves appreciation and earns much prestige among many countries, including Thailand. Thailand wholeheartedly supports China's efforts for this cause, and holds that the achievements made by China in this respect will contribute to peace, freedom, and prosperity in Southeast Asia, a common goal that our two countries hope to achieve. The PRC's support for ASEAN's efforts to seek a political solution to the Cambodian problem is an indication of China's constructive role in seeking peace, which represents our common desire. Facts show that Vietnam's aggression against and occupation of Cambodia not only forms a major threat against, and an obstacle to the peace, freedom, and neutrality of the Southeast Asian region, but also directly threatens Thailand's security. At the same time, the influx of Cambodian people into Thailand has added a heavy burden to Thailand and has brought about adverse effects on Thai society and Thai economy.

Your Excellency the president: The relations between Thailand and the PRC have been developed in a cordially friendly and constructive manner. Both of us adhere to the principles of interdependence, treating each other sincerely, and friendly coexistence on the basis of each side's national interests. I would like to reaffirm here that the government of his majesty, the king, is satisfied with such a relationship and is willing to strengthen it further.

Your Excellency the president: Present international relations are a kind of interdependent relations that are required by existence and progress. The relationship between Thailand and the PRC over the past 10 years shows that all countries, big or small, can carry out cooperation and help each other on the basis of equality.

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However, if we had no friendship, sincerity, or true determination, our relations would not have reached the level we need and we would not be able to see what we can see today. Thailand ardently hopes that such friendly and cooperative relations between us will last forever and develop continuously.

Your Excellency the president, all honorable guests present: I would like to suggest here toasting the health of the PRC president and his wife and toasting the external friendship between Thailand and the PRC and between the two peoples!

Welcomed in Chiang Mai

OW141740 Beijing XINHUA in English 1716 GMT 14 Mar 85

[Text] Chiang Mai, Thailand, March 14 (XINHUA) -- Visiting Chinese President Li Xiannian and his wife Lin Jiamei were entertained here tonight at a "kan toke" dinner, a traditional meal amid folk music and dances given by the Thai people for their most distinguished guests.

Watching the graceful traditional tribal dances performed by girls from the art school and enjoying the food served on a small wooden table, from which the dinner gets its name, the 76-year-old president enjoyed his last evening in Thailand of his current visit.

Chiang Mai, a scenic city in north Thailand, had played host to several Chinese leaders, including Deng Xiaoping, Zhao Ziyang and Deng Yingchao, over the last decade.

Li was accorded a red-carpet welcome here this morning when he flew in from Bangkok in the company of Thai Princess Sirinthon. He was greeted at the airport by Princess Chulaphon and local dignitaries as well as hundreds of colorfully-dressed young girls, whose performance of a traditional folk dance "finger nail" ended in forming their ranks into the Chinese characters "warm welcome".

Li visited Chiang Mai University while Madame Lin, who has devoted most of her life to medical and public health work, called at a local hospital here this afternoon.

The Chinese president is scheduled to leave here tomorrow afternoon for home after his successful five-day state visit to Thailand.

Leaves for Home

OW150923 Beijing XINHUA in English 0907 GMT 15 Mar 85

[Text] Chiang Mai, Thailand, March 15 (XINHUA) -- Chinese President Li Xiannian and his wife Lin Jiamei, winding up a five-day state visit to Thailand, left here this afternoon for home.

During his stay in Thailand, he had met with King Phumiphon Adunyadet and Prime Minister Prem Tinsulanon for talks on bilateral relations and international issues of mutual concern.

President Li and his entourage arrived here from Bangkok yesterday in the company of Thai Princess Sirinthon.

Upon leaving Bangkok, President Li was accorded a formal seeing-off ceremony attended by King Phumiphon Adunyadet, Crown Prince Wajiralongkon, Prime Minister Prem Tinsulanon and top government officials and military officers.

Thailand was the second leg of President Li's Southeast Asian tour. Before arriving in Bangkok on March 11, he paid a week-long visit to Burma.

Official on Li Visit

BK141159 Beijing International Service in Thai 1330 GMT 10 Mar 85

[Undated interview by Radio Beijing correspondent, name indistinct, with Sawanit Khongsiri, director general of the Thai Foreign Ministry Information Department, given in Bangkok -- recorded]

[Text] [Correspondent] Greetings, I am [name indistinct], a Radio Beijing correspondent. I have come to Thailand to cover President Li Xiannian's visit as a guest of his majesty the king. I would like to interview you on the significance of President Li Xiannian's visit to Thailand.

[Sawanit] Thank you. I am happy to meet an old friend once more. The visit of His Excellency PRC President Li Xiannian, his wife, and party, which consists of several important officials, as guests of their majesties the king and queen 11-15 March is a historic event in Thai-Chinese relations. Actually, relations between Thailand and China, or between the Thai and the Chinese peoples, date back over 2,000 years. Many Thai citizens have Chinese ancestors. Contacts between us have been continual and have developed. The two peoples have traded with each other and exchanged visits for centuries.

I am very glad that on 1 July 1974 [year as heard], the Thai and PRC Governments established diplomatic relations. M.R. Khukrit Pramot, the Thai prime minister at the time, went to Beijing to sign the joint communique on the establishment of diplomatic relations between Thailand and China. During the past 10 years, Thai-PRC relations have developed steadily. Leaders of both countries have exchanged visits. Several past Thai prime ministers have visited China, and Chinese leaders have visited Thailand. His Excellency Deng Xiaoping, the Chinese prime minister, several Chinese military officers, and several Chinese Cabinet ministers have visited Thailand.

Thailand and China have signed several agreements, five altogether, in the past 10 years. We have economic and trade agreements. We have the joint Thai-Chinese committee on scientific and technical matters. We have a trade agreement, a shipping agreement, and an aviation agreement that allows the national-flag carrier of each country to fly to the other. What cannot be left out is the travel of people of both countries to visit their relatives in the other and to get to know the other country. The Thai people are interested in China, and many Thai people are happy to get to see their friends and relatives there. The Thai Government supports such travel.

His Excellency President Li Xiannian's coming official visit to Thailand is an important step in the 10 years of formal relations between our two countries. You will see for yourself what kind of reception will be accorded the Chinese president. To express what we feel about the Chinese Government and people, we will accord the president the warmest reception possible. Thank you.

[Correspondent] Several years ago, you were posted to the Thai Embassy in Beijing as counsellor. Would you give your impressions of the time you were there? What is your view of how Thai-Chinese friendship should develop?

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[Sawanit] My 4 years at the Thai Embassy in Beijing were a very important experience in my Foreign Ministry service because at that period the Thai and Chinese Governments and people began to adjust their relations and to create a good understanding between them. China is a huge country with over 1 billion people. It has immense resources the capability of playing an important international political role, particularly in Asia. In the past 10 years, which include my 4 years in Beijing, we have been able to create a better understanding of each other and draw closer to one other. This is very admirable. The international community can coexist peacefully, despite the fact that some of its members have different ideologies.

Whenever there have been problems, both of us have adhered to the principle that they would be resolved peacefully through negotiations and compromises. Since the establishment of diplomatic relations 10 years ago, Thailand and China have adhered to the principle of resolving any dispute peacefully -- without using force. Some countries in Asia have used force to solve disputes and have created instability, with the result that other countries have been adversely affected and, most importantly, many innocent people have lost their lives. Thailand and China can be regarded as models in this regard. China's ideology is socialism, while Thailand's is liberalism. Despite this difference, Thailand and China have been able to maintain good relations and avoid using force or quarreling. They have been able to settle their differences peacefully through rational discussions, which has contributed to peaceful coexistence in the region. This is a very significant evolution.

[Correspondent] Thank you very much for your time. Good-bye.

SRV PLAN TO ELIMINATE KHMER ROUGE CRITICIZED

OW141021 Beijing in Vietnamese to Vietnam 1400 GMT 13 Mar 85

[Commentary by station commentator Ya Ming: "Refuting the Vietnamese Authorities' Arguments on Eliminating the Khmer Rouge"]

[Text] While escalating their war of aggression in Cambodia, the Vietnamese authorities have continued to advance again and again the argument that the Khmer Rouge must be eliminated if the Cambodia issue is to be resolved.

During the recent visit to Vietnam by Australian Foreign Minister Bill Hayden, the Vietnamese authorities also repeated the above argument, saying if the Khmer Rouge lay down their arms, they will receive lenient treatment. Those arguments of the Vietnamese authorities prove that they are still stubbornly sticking to their stance of aggression, and that they have no goodwill in peacefully solving the Cambodia issue. Cambodia is an independent, sovereign country. Vietnam has mobilized 100,000-odd troops to invade and occupy Cambodia, and installed a puppet administration at bayonet point, flouting the UN Charter and principles in international relations.

The Vietnamese authorities have striven to exaggerate and distort some errors in the Democratic Kampuchean [DK] Government's policy in the past in an attempt to justify their acts of aggression. That is a futile attempt. Any policy adopted by a sovereign country is its own affair within the area under its sovereignty; no other country has the right to interfere. If a country that does not like the policy of another country's government has the right to mobilize troops to invade that country, international security will no longer exist.

The Cambodia issue is the result of the Vietnamese invasion. Therefore, to resolve that issue, Vietnam must stop its invasion of Cambodia, and must honor the relevant resolutions of the UN General Assembly and unconditionally withdraw all its troops from Cambodia. Only with the total Vietnamese troop withdrawal from Cambodia can there be a talk about resolving the Cambodia issue politically.

Dodging the key issue of troop withdrawal, the Vietnamese authorities prove that they absolutely have no desire to peacefully resolve the Cambodia issue.

Vietnam's invasion of Cambodia has been resisted by the patriotic Cambodian forces. The anti-Vietnam forces under the leadership of Samdech Norodom Sihanouk and Messrs Son Sann and Khieu Samphan are patriotic forces. Their anti-Vietnam struggle has been supported by all justice-upholding nations in the world. Some time ago, an extraordinary ASEAN foreign ministers conference issued a joint communique calling on the world community to intensify its political and military support for the anti-Vietnam Cambodian forces.

The Vietnamese authorities say if the Khmer Rouge is eliminated, Heng Samrin can conciliate with Samdech Norodom Sihanouk and Mr Son Sann. That is their attempt to rend the solidarity of the anti-Vietnam Cambodian forces, not their desire to peacefully resolve the Cambodia issue.

During the current dry season, Vietnam has launched massive attacks against the bases of the three patriotic Cambodian forces. That is full proof of their scheme.

The Vietnamese authorities say if the Khmer Rouge lay down their arms, they will be treated leniently. That is like a robber who breaks into a person's house and demands that the owner offer no resistance so as to enjoy leniency. That is a bandit's logic, pure and simple.

Using pretexts, Vietnam opposes the relevant resolutions of the UN General Assembly, and refuses to withdraw all its troops from Cambodia. Its defiant stance has long sparked the wrath of the international community. We hope that all justice-upholding personalities in the world will stand by the relevant resolutions of the UN General Assembly and force Vietnam to withdraw its troops from Cambodia so as to pave the way for a political solution to the Cambodia issue and enable the Cambodian people to exercise their right to self-determination and determine their own political future without foreign interference.

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FDRY MINISTER TOURS GUANGDONG, SHENZHEN, DEPARTS

OW141801 Beijing XINHUA in English 1612 GMT 14 Mar 85

[Text] Guangzhou, March 14 (XINHUA) -- 'Abd al-'Aziz al-Dali, minister of foreign affairs of the People's Democratic Republic of Yemen, and his party wound up their visit to Guangdong Province and left here for Beijing this afternoon. Dali and his party were honored at a banquet given by Deputy Governor of Guangdong Yang Li after their arrival on March 12 in Guangzhou, capital of the province. They visited Luogang district, a fruit producer, in the suburbs of Guangzhou where they were shown around the district's pharmaceutical and food products factories and two peasant families. They also visited the Shenzhen Special Economic Zone in Guangdong. [XINHUA English at 0651 GMT on 15 March in a similar item adds: They were seen off at the airport by Gong Dafei, adviser of the Chinese Ministry of Foreign Affairs, Ibrahim 'Abdallah Saidi, Democratic Yemen ambassador to China, and diplomatic envoys of other countries here.]

CPC FRIENDSHIP DELEGATION ENDS ETHIOPIA VISIT

OW130303 Beijing XINHUA in English 0246 GMT 13 Mar 85

["Special for Nairobi -- CPC Delegation Ends Visit to Ethiopia" -- XINHUA headline]

[Text] Addis Ababa, March 12 (XINHUA) -- A friendship delegation of the Communist Party of China left here for Uganda today after holding talks with officials of the Workers Party of Ethiopia (WPE), the first political party in power in Ethiopian history. During the three-day visit, the first official contact between the two parties, the Chinese delegation held talks with a WPC delegation led by Habte-Mariam Seyoum, deputy head of the Foreign Affairs Department of the WPE Central Committee, on the two parties' future relations. Ashagre Yigletu, secretary of the WPE Central Committee and head of its Foreign Affairs Department, yesterday met head and deputy head of the Chinese delegation Jiang Guanghua and Li Shouzhong. He later gave a dinner for the delegation. The WPC was established in September last year.

Arrives in Uganda

OW131918 Beijing XINHUA in English 1844 GMT 13 Mar 85

[Text] Kampala, March 13 (XINHUA) -- The general secretary of the ruling Uganda People's Congress (UPC), Luwuliza Kirunda, met with the head of a visiting Chinese Communist Party delegation here today. During their talk, Kirunda thanked the Chinese Communist Party and government for the assistance they had rendered to the UPC and the country. Leader of the Chinese delegation Jiang Guanghua, deputy-head of the CPC's International Liaison Department, conveyed greetings from CPC General Secretary Hu Yaobang to Kirunda.

Both sides expressed their satisfaction at the rapid development of relations between the two parties as well as the two countries in the past year. They exchanged views on further cooperation between the two parties in particular, and the two countries in general, and expressed their conviction that the relations between the two parties will improve even further in the years to come. The six-member Chinese delegation arrived here yesterday for a week-long visit at the invitation of the UPC.

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6TH NPC STANDING COMMITTEE CONVENES 10TH MEETING

OW150913 Beijing XINHUA in English 0901 GMT 15 Mar 85

[Text] Beijing, March 15 (XINHUA) -- The tenth meeting of the Sixth National People's Congress Standing Committee opened here today. The meeting will set the date and draft agenda for the third session of the Sixth NPC, which will be held later this month. It will also draw up draft list of the Presidium and name a secretary-general for the coming NPC session.

The meeting will hear reports on a draft economic contract law for deals involving foreign businesses, and a draft inheritance law. Also on its agenda are reports on:

- the work of the NPC Standing Committee;
- the qualifications of new deputies chosen through supplementary elections;
- NPC Nationalities Committee's examination on motions submitted by deputies at the previous session;
- and an NPC delegation's visits to Rwanda, Burundi and Zaire.

Peng Zhen, chairman of the NPC Standing Committee, president over today's meeting.

CPPCC NATIONAL COMMITTEE SESSION TO OPEN 25 MAR

OW151056 Beijing XINHUA in English 1040 GMT 15 Mar 85

[Text] Beijing, March 15 (XINHUA) -- The eighth meeting of the Standing Committee of the Sixth National Committee of the Chinese People's Political Consultative Conference (C.P.P.C.C.) opened here today. Deng Yingchao, chairwoman of the C.P.P.C.C. National Committee, presided over today's meeting and said that the main task of the meeting was to prepare for the third session of the Sixth National Committee of the conference to be held on March 25 in Beijing. Today's meeting also will also decide the list of the new members of the C.P.P.C.C. National Committee.

Peng Youjin, secretary-general of the C.P.P.C.C. National Committee, explained that 34 of the 2,030 members of the Sixth C.P.P.C.C. National Committee had died since last May and several others had resigned because of work transfers. After discussions and consultations with all the democratic parties, non-party figures and people's organizations concerned, the C.P.P.C.C. National Committee decided to elect 40 new members and submit this decision to the Standing Committee for approval.

Other main items on the agenda of the current meeting include:

- discussion of the work report of the Standing Committee to be delivered at the third session;
- discussion of the report on the implementation of government policies; and

-- hearing a report on handling motions submitted by C.P.P.C.C. members since the second session last May.

Group discussions will be held tomorrow.

Meeting Approves Agenda

OW150905 Beijing XINHUA in English 0834 GMT 15 Mar 85

[Text] Beijing, March 15 (XINHUA) -- The third session of the Sixth National Committee of the Chinese People's Political Consultative Conference is scheduled to open on March 25 in Beijing. The decision was made here this morning by the Standing Committee of the C.P.P.C.C. National Committee at its eighth meeting presided over by Chairwoman Deng Yingchao.

Main items on the agenda which was approved at today's meeting are: the C.P.P.C.C. Standing Committee work report, a report on handling motions submitted by C.P.P.C.C. members since the second session last May, election of new vice-chairmen and vice-chairwomen and Standing Committee members, and attending the third session of the Sixth National People's Congress.

COMMENTATOR ON NEED FOR IDEALS, DISCIPLINE

HK140526 Beijing RENMIN RIBAO in Chinese 12 Mar 85 p 1

[Commentator's article: "Ideals and Discipline Are the Guarantees of Reform"]

[Text] In his speech at the national scientific and technological work conference, Comrade Deng Xiaoping pointed out that only by depending first on ideals and second on discipline can we be united to build socialism with Chinese characteristics. Since the 3d Plenary Session of the 11th CPC Central Committee, central leading comrades have exhorted us in this way on many occasions. Seriously studying and thinking deeply about this speech of Comrade Deng Xiaoping is of far-reaching significance in resolutely carrying out reform of the economic structure, doing a good job in the second stage of party rectification, and building China into a modern socialist country.

As early as 4 years ago, Comrade Xiaoping had already pointed out: "The more the party and government conduct various kinds of economic reforms and implement the policy of opening to the outside world, the more will it be necessary for party members, senior responsible cadres of the party in particular, to attach great importance to and to earnestly practice communist ideals and communist ethics." While building material civilization, we must build socialist spiritual civilization so that the people of all nationalities in our country will become people who have ideals and pay attention to ethics, who are educated and who observe discipline. This is resolutely advocated by the party and government. That ideals and discipline are particularly stressed at present is, we think, directed at the phenomenon of indifference to ideals and lax discipline among some comrades and is aimed at overcoming and correcting some muddled ideas and erroneous practices and ensuring the smooth progress of the reform of the economic system.

The reform we are carrying out is a courageous practice to build a modern socialist country and then to realize lofty communist ideals.

It is clearly stated in the "decision of the Central Committee of the CPC on reform of the economic structure" that the purpose of reform is to "build a socialist economic structure with Chinese characteristics that is full of vigor and vitality so as to promote the growth of the forces of production," and to make our country strong and prosperous and our people rich. During the period of the new democratic revolution, overthrowing the three big mountains was a struggle to realize communist ideals. Today, we are carrying out the modernization program and are endeavoring to attain the goal of quadrupling annual gross output value. This is also a struggle to realize communist ideals. Reform is a complicated and arduous cause. Anyone who is determined to carry out reform must have the spirit of dedicating himself to lofty ideals. Anyone who has no ideals or who indulges in empty talk will not conscientiously and courageously join in the cause of reform. At present, an important mark to test whether a party member has communist ideals or not is to see if he has followed the "decision" of the 3d Plenary Session of the 12th CPC Central Committee, resolutely advanced along the road of reform, and wholeheartedly dedicated himself to making our country strong and prosperous and our people rich.

Reform is a key undertaking that will determine the destiny of China. It must be properly carried out and brooks no failure. Because of this, central leading comrades have repeatedly stressed that we must "exercise prudence in the initial battles to ensure victory." It seems that at present most localities and departments throughout the country have exercised prudence and are properly doing their work. However, there are also a small number of units and departments which act as they think fit. They care only about their respective units and some even care only about private gain. They do not hesitate to harm the interests of the country and the people. They even turn a deaf ear to the repeated injunctions of the central authorities and under the false pretence of conducting reform, make profits and become rich. Seeking private gain is a common practice of the various unhealthy trends at present. In doing so, they have completely deviated from the principle of wholeheartedly serving the people. Lofty ideals are entirely out of the question. The aim of carrying out the reform is to bring about common prosperity among the people throughout the country. This is the direction and is the overall situation. Any act that deviates from this direction or does harm to the overall situation deviates from communist ideals and ethics.

In order to correct unhealthy trends under the new situation and to ensure the smooth progress of reform, it is necessary to carry out education on ideals and at the same time to stress abiding by the law and discipline. The highest requirement in observing discipline is to implement the policies and decrees of the party and the state. There is an idea that so long as money does not go into one's own pocket, one may do anything. This is wrong. Although the cash does not go into one's pocket, it goes into the "small treasury" of a certain unit. Of course, there is some difference in nature, but harm is after all done to the country and the people. Our discipline is conscientious and is based on wholehearted dedication to lofty ideals. Therefore, most comrades can conscientiously observe discipline. Discipline is a guarantee of reform and of the realization of modernization. There is a high level of coerciveness for a very small number of people who have abandoned ideals and ignored law and discipline. Any party member or cadre who hopes that the reform will be successful, the country will become strong, and the people will become prosperous, must conscientiously set an example by observing discipline.

The Chinese Communists and the Chinese people have always paid attention to ideals and to observing discipline. Ideals give direction to reform and discipline guarantees the actual work of reform. If we depend on ideals and discipline and act in accordance with the "decision" of the 3d Plenary Session of the 12th CPC Central Committee our reform will certainly be successful.

COMMENTATOR'S ARTICLE EYES DISCIPLINE IN REFORM

HK140726 Beijing JINGJI RIBAO in Chinese 11 Mar 85 p 1

[Commentator's article: "Have Lofty Ideals, Observe Discipline -- Studying Comrade Deng Xiaoping's Speech at the National Science Work Conference"]

[Text] In an important speech at the national science work conference, Comrade Deng Xiaoping expressed his hope that the people throughout the country will have lofty ideals, moral integrity, education, and a good sense of discipline in the course of building a socialist society with Chinese characteristics. He also stressed that among these four points, having lofty ideals and a sense of discipline is particularly important. We must always keep these two points, lofty ideals and a sense of discipline, firmly in our minds.

Comrade Deng Xiaoping reiterated the importance of lofty ideals and enforcing discipline under the new situation of the economic structural reform. He pointed out that only on the basis of lofty ideals and discipline can our people be united. This is of great significance.

Reform is an extremely complicated cause that requires mass efforts to make exploration and innovation and must be conducted in an orderly way under the unified leadership. Reform will certainly encounter all kinds of difficulties and will also affect some people's individual interests. Therefore it is necessary for us to establish high ideals and observe discipline in the course of reform. By having lofty ideals, it is meant that we should link reform with the great goal of realizing communism and should always bear the interests of the 1 billion people in mind when considering and handling things for the purpose of developing our social productive forces, making our country prosperous and strong, and making our people prosper together. By stressing the need to observe discipline, it is meant that we should conscientiously take up the cudgels for, and faithfully carry out, the policies of the party and the decrees of the state, and should strictly enforce orders and prohibitions. Only when we have established lofty ideals can we have a high degree of political consciousness and achieve unity; and only thus can we have the indomitable courage to overcome difficulties and devote all our energies to carry forward the reform. Only when we strictly enforce discipline can we direct the hundreds of millions of people to make concerted efforts and to act in unison; and only thus can we ensure that the individual is subordinate to the organization, that the lower level is subordinate to the high level, that the partial interests are subordinate to the overall interests, and that the whole party is subordinate to the central leadership. Strict discipline is a guarantee for the realization of the lofty ideals, and the lofty ideals form the foundation for the strict enforcement of discipline. These two points are interrelated and supplement each other. They form the two basic conditions for the success of our reform.

At present, some comrades indulge themselves in new irregularities under the guise of reform and try by all possible means to seek selfish gains for their individuals or small groups. Their malpractices go against our lofty ideals and the purpose of our reform. Although problems of this kind do not widely exist in the country, we must still pay sufficient attention to them. In the course of reform, everybody is faced with the questions of whom he should work for and what role he should play. It is necessary to strengthen education in communist ideals among the people, especially among the younger generation, so as to make them realize that reform is for the purpose of developing the socialist economy and laying a solid foundation for communism. Everybody should work for this purpose and struggle for the construction of socialism and the realization of communism.

Some comrades think that once the decisionmaking power is delegated to them, they will be able to go their own way and decide everything for themselves with no need to give thought to instructions from the higher authorities.

Now many new irregular practices are related to this correct idea. People who think thus do not have a correct understanding of the relationships between democracy and centralism and between freedom and discipline. Comrade Mao Zedong told us before that within the ranks of the people, democracy is correlative with centralism and freedom is correlative with discipline. They are two opposite sides of a unified entity, and we should not emphasize one side to the negation of the other. Under the socialist system, the people can enjoy extensive democracy and freedom, but at the same time they also have to keep themselves within the bounds of socialist discipline. It is necessary for us to restudy this point and gain a better understanding of the dialectical relationships between democracy and centralism and between freedom and discipline so that we may better know that the decentralization of decisionmaking powers does not mean a "laissez-faire" policy, and that the enlivening of the economy does not mean introducing a lawless condition into our economic activities. Only by strictly enforcing discipline can we succeed in our reform.

CHINA DAILY EXAMINES ROLE OF SCIENTISTS

HK140539 Beijing CHINA DAILY in English 14 Mar 85 p 4

[By CHINA DAILY commentator: "The Role of Scientists"]

[Text] The national science work conference, which ended last Thursday, took up the reform of the science and technology management system. The aim is for scientific research undertakings to become better geared to the nation's economic needs. Addressing the closing ceremony, Deng Xiaoping said that just as in the case of the reform of the economic management system, what is uppermost in his mind regarding science management is still the talent issue; that is, the matter of highly regarding scientists and technicians.

It is widely acknowledged that both the social status and material welfare of science workers have risen remarkable since the end of the 70's, when the present leadership got the party's work back on the right track. However, it is also true that working and living conditions of some of these people in many areas remain far from satisfactory. They are still underpaid and are not accorded early enough the academic or professional titles for which they have proven qualified.

It is not without reason that some people continue complaining that so far there is only much talk but little action in implementing the party's policy on intellectuals.

Deng showed comradely concern as well as political acumen when he called for "effectively solving a little of the problem for the intellectuals in a down-to-earth manner each year" at the conference.

Because not many people received a good education in the 10 years of the "Cultural Revolution," there now is a glaring scarcity of young science workers. Those who are in their prime are in most cases overworked. Because of poor living conditions, their health often deteriorates prematurely. The reform should see to it that prompt and concrete steps are taken to improve the circumstances of these people, who are the most valuable asset for the advance of the nation's scientific endeavours.

Deng also stressed that conditions be created so that top-notch talent can fully prove its worth.

One of the objectives of the upcoming reform should be bringing about those conditions.

The reforms seek to remedy one grave defect in our scientific research, which is that it is too often divorced from economic development and from on-going production activities. The just formulated strategy is correct in that it stresses that economic construction should rely on science and technology and that research should be meshed with economic development. To this end, technology markets will be opened and the fruits of scientific research should be handled as though they have a market value. This should give rise to real competition and initiative and an enterprising spirit will gain momentum.

Research institutes will be keen to promote inventions and creations that meet urgent needs when they see that their own interests are closely tied to their work. Talented workers will be as highly valued and given as free a hand in their work as they deserve when their role in the advance of scientific research is fully realized.

The present rigid personnel system also hinders the appropriate employment of science workers. Reform should ensure that there is broader scope and simpler procedures for removing those who just sit around doing nothing.

Modern science and technology represent the most dynamic factor in social productive forces. An effective reform will enable science workers to become increasingly more important to China's modernization drive.

JINGJI RIBAO EMPHASIZES SERVING PEOPLE

HK141141 Beijing JINGJI RIBAO in Chinese 9 Mar 85 p 1

[Editorial: "Never for One Moment Forget the Basic Purpose of 'Serving the People'"]

[Text] What is the basic purpose of the Communist Party? For a start, Marx and Engels, in the "Communist Manifesto" proclaimed to the whole world: "A member of the Communist Party does not have any interests which are different from the interests of the whole proletariat." In the Constitution of the CPC it solemnly states: "Members of the Communist Party of China must serve the people wholeheartedly" and "Except for the personal interests within the scope of the system and policy stipulations and outside the authority of office, all Communist Party members should seek no personal interests and privileges." Comrade Deng Xiaoping, at the recently held national work conference on technology, explicitly stated that: "We must constantly educate our people, in particular our youth, to cherish ideals" and that "they should have the convictions of Marxism and communism." At present, all our activities are to serve the prosperity and strength of the country and the common wealth of the people.

However, judging from the several new unhealthy tendencies springing up recently, we can see that this basic purpose has left only faint memories in the minds of some comrades and it seems that serving the people is not as popular as before. Therefore, it seems that some muddled ideas should be cleared up.

"Communist Party members should take the lead in getting rich." In accordance with the laws of economic development, the policy of the party is to let some people get rich first, in an effort to achieve the aim of the strength and prosperity of the country and the common wealth of the people. As far as Communist Party members are concerned, the former is only the means, while the latter is the objective of the struggle. Owing to differences in situation, specific means of realizing the objective of struggle should also be different. Party members in rural areas should take the lead in getting rich through industry.

However, the difference between party members working in rural areas and ordinary peasants is that they always think of others and help all the people get rich. Party members among the workers should splendidly fulfill the task of the state, obtain more pay through more work rather than dishonest practices, and set an example for all the people. The source of income of government staff is wages. With the per capita income in society being increased, the wages of government staff should also be correspondingly readjusted. Party members among government staff should work in an exemplary way, serve the people wholeheartedly and fulfill the idea of "rejoicing only after the rest of the world has rejoiced." Therefore, generally speaking, it is wrong to forget the basic purpose while fulfilling the idea "Communist Party members should take the lead in getting rich."

"Should we not enliven the economy?" Yes, we should enliven the economy, but not disturb the order of the economy. Thus, we should strictly abide by the law and discipline and policy. The economic structural reform is a very difficult and complicated great task. In order to guarantee victory in the initial battle, every Communist Party member should devote all his intelligence and wisdom to it, and strive to initiate a new situation. Meanwhile, he should also resolutely listen to the orders of the party Central Committee, and execute every order without fail. It is necessary to differentiate between what should be done and what should not be done. It is not quite the case that everything profitable should be carried out. Things like buying and reselling at a profit, speculating in foreign currency exchange, government staff engaging in business, and so on, should not be carried out in any circumstances. Since Communist Party members are shouldering the great task of realizing the strength and prosperity of the country and the prosperity of the people, they should have lofty ideals and should not lose their socialist bearings in seeking personal gains.

"Honest people always suffer losses. Who, at the moment, does not consider his own interests?" In the old society, honest people always suffered losses. To change these unfair manners and morals of the times was precisely the reason the Communist Party led the people to carry out the revolution. In an effort not to let the broad masses of working people suffer losses, many Communist Party members sacrificed their own lives. Since the establishment of new China, the situation in which honest people suffer losses has been fundamentally changed. However, as a result of the existence of differences, as well as the existence of various unhealthy tendencies, we should admit that it is true that the situation in which honest people suffer losses still exists in some localities and at some times. How should Communist Party members treat this state of affairs? Should they uphold the basic purpose of serving the people, cherish ideals, abide by discipline, try hard to eliminate differences through developing the economy, resolutely resist and rectify the unhealthy tendencies and be willing to suffer losses as long as it is in the interests of the people? Or should they only look after their own interests in disregard of the interests of the state and the collective, or even not hesitate to help promote unhealthy tendencies?

"I am seeking material benefits for the masses." The leaders of some units often use this as an excuse for defending unhealthy tendencies such as recklessly distributing bonuses, material benefits, and so on. Communist Party members should be concerned with the immediate interests of the masses. When the staff and workers elect someone to be factory manager or leader, of course they hope that he can do a good job in running the enterprise to seek material benefits for everyone. However, if all the factory directors and leaders of every unit represent only the interests of the masses of their units, then who will represent the interests of the state? If the relationship between the interests of the state and the interests of the individual unit cannot be correctly handled well, how can the strength and prosperity of the country and the common wealth of the people be guaranteed?

All party members, with varying leading positions and powers, should understand the sacred duty of their jobs and exercise their functions and powers in serving the people wholeheartedly. They are not allowed to abuse their functions and powers, let alone using their power to seek personal gains.

During the process of this great reform, people will have all kinds of different understanding of things. Differences between correct and incorrect thinking will also often exist. Generally, a process is also often required in understanding things. However, as long as we never forget for one moment the basic purpose of serving the people, we will not lose our bearings.

COMMENTATOR VIEWS 2D-STAGE PARTY RECTIFICATION

HK140833 Beijing JINGJI RIBAO in Chinese 12 Mar 85 p 1

[Commentator's article: "Make a Success of the Second-Stage Party Rectification"]

[Text] In accordance with the planning of the Central Committee, the second-stage party rectification is unfolding in all localities. Viewing the progress at present, many units have so far failed to break through the situation. One important reason is that the leadership has not attached enough importance to the work, and has not taken a firm grasp of it. In some units, after having gone through the first-stage party rectification, laxity has emerged; they have disbanded party rectification offices and leading organs in a hurry, and attached little attention to guiding and urging party rectification work in grass-roots units under their jurisdiction. And the party committees of some units undergoing second-stage party rectification have placed party rectification work in a subordinate position, gone through the work superficially; and the masses have many complaints against them. Therefore, deepening the understanding of the important significance of the second-stage party rectification is a key to making a breakthrough in the situation in second-stage party rectification work.

In order to make a success of the second-stage party rectification, party committees at all levels should attach great importance to it ideologically, and those party committees and party groups which have already undergone first-stage party rectification should continuously shift the focus of party rectification work to the meticulous study and guidance of the second-stage party rectification, in addition to doing a good job in the consolidation of and making up missed lessons in party rectification. In units undergoing second-stage party rectification, their party committees should closely link party rectification with reform and correcting new unhealthy tendencies, and use the correction of new unhealthy tendencies to open up the situation in party rectification, so as to clear away obstructions to the reform.

REWARDS URGED FOR TELLING TRUTH, CRITICIZING

HK140947 Beijing NONGMIN RIBAO in Chinese 4 Mar 85 p 1

[Commentator's article: "Praise for an 'Award for Reporting Problems'"]

[Text] Recently, the Ningxiang County CPC Committee, in Hunan Province, gave "awards for reporting bad news" to people who reported things accurately and dared to expose problems in work, and treated these people as meritorious workers. This move by Ningxiang County is commendable too.

Our party is now a ruling party with high prestige, and we have continuously scored great achievements in our work in all fields. In this situation, there is all the more reason to keep a sober mind. We should encourage our cadres to speak the truth in the spirit of being responsible to the party and the people.

This is an important condition for winning greater successes and overcoming shortcomings. However, some comrades do not like to hear people tell the truth and criticize shortcomings. This will force people to merely report good news and will discourage them from reporting bad news. This evil work style is very harmful and must be resolutely corrected.

History shows that all rulers, no matter what class they belong to, should be so open-minded as to be willing to hear bad news without fearing that their personal interests may be affected, and this is an important matter that has a bearing on the success or failure of their causes. If they are glad to have their problems pointed out by other people and are willing to listen to criticism, they will be likely to govern the country better; otherwise, the people will suffer and the rulers themselves will lose their power sooner or later. During the Warring States Period, the Wei king of Qi gave handsome rewards to people who dared to criticize his errors and then seriously corrected these errors. His state afterward became strong. Li Shimin, the Taizong emperor of the Tang Dynasty, could also accept advice unpleasant to hear. Although Wei Zheng revealed his faults to his face, he still appointed Wei Zheng to a high position. These are historical stories on everybody's lips. Communists should serve the people wholeheartedly; we will never balk at any personal sacrifice for the sake of safeguarding the interests of the people. The fine tradition of being modest and prudent and being ready to carry out criticism and self-criticism, which was initiated by the older generation of revolutionaries, should be carried forth.

In order to encourage cadres and ordinary people to speak the truth and to report things accurately, we should adopt some concrete measures. For example, people who dare to tell the truth and have real ability should be appointed to key posts or given material rewards. All this is necessary. By doing so, we will greatly arouse the sense of responsibility and enthusiasm of cadres and ordinary people, and will better ensure success in our work.

UNIVERSITY MANAGEMENT DECENTRALIZATION ADVOCATED

HK141516 Beijing RENMIN RIBAO in Chinese 12 Mar 85 p 3

[Commentator's article: "Change the Situation of 'Monopolized' and 'Unified' Management"]

[Text] When people discuss the reform in the system of higher education, they all hold that there is too much and too rigid monopolized and unified management of the state, and regard this as a major defect in our existing higher education system. There is unified matriculation, unified placement of graduates, a unified educational system...; everything is put under monopolized and unified management. As a result, no monopolized and unified management is possible and many of our higher education institutions have thus been deprived of their vitality. This shows the poor influence of our previous rigid and overcentralized economic system on our education system. As urban and rural economic structural reform develops, we should break the fetters of "monopolized" and "unified" management in our higher education system.

This year it has been decided to carry out a reform in the method of job placement for graduates of higher education institutions. The power of the institution in placing graduates will be expanded and the method of "making supply and demands meet" will be adopted. Changing the situation of "monopolized" and "unified" management in the sphere of job placement is of great significance. When the centralized management of the state is reduced, the institution will have greater decisionmaking power. The process of making supply and demands meet will show whether the students trained meet the demands and whether the quality of their education is satisfactory.

This will urge the institutions to adopt corresponding measures to reform their education in order to meet the demands of the society. It will also make the society be more concerned about the work in our higher education institution. Then we will gradually overcome the phenomenon of higher education being out of line with the actual demands of the development of the society and economy.

The method of "making supply and demand meet" will give play to the initiative of the institutions, the units that recruit college graduates, and the graduates. It will also expand the responsibility of the three groups. Power and responsibility, and freedom and discipline, cannot be separated. The "demand" in the phrase "making supply and demand meet" is first of all what the all-round situation of the four modernizations demands. The institution, the units that recruit graduates, and the graduates should all proceed from this all-round situation. The institution should consider the overall demands, ensure that their graduates are appointed to the posts that most urgently need and can give the best play to the ability of the graduates, give priority to satisfying the demands of key projects, and give preferential treatment to remote areas. The units that recruit the graduates should consider the situation as a whole and pay attention to good work style. The units that have more qualified personnel should make allowances for the needs of the units that lack qualified personnel, hinterland areas should make allowances for the needs of remote border areas, and enterprises owned by the whole people should make allowances for the needs of collective and township and town enterprises. When a unit wants to recruit graduates, it should think about whether it actually needs them and whether it can actually give play to their abilities. The job placement plan formulated through "making supply and demand meet" is a part of our socialist plans. The practice of "making supply and demand meet" provides great possibilities for graduates to display their wisdom and talents, but this does not mean that they are allowed to choose at will what is to their personal advantage regardless of the needs of the state. Obeying the job placement assigned by the state is a duty for our graduates. The college students of our era should set an example in fostering lofty ideals and observing discipline.

A fine party work style is a guarantee for any reform. The reform in our method of job placement for our graduates is a part of the reform of our personnel system. Our personnel cadres should particularly strictly observe the discipline and prevent and thoroughly end any new unhealthy tendencies.

AIM OF SOCIALISM: PEOPLE GROWING RICH TOGETHER

HK140858 Beijing JINGJ1 RIBAO in Chinese 10 Mar 85 p 1

[Commentator's article: "The Aim of Socialism Is To Enable People of the Whole Country To Become Rich Together"]

[Text] At the national science and technology work conference, Comrade Deng Xiaoping stated: "It is precisely for the aim of eliminating poverty that we have fought for several decades. Our first step is to reach the level of being comparatively well-off by the end of this century. This means that by that time we will be neither poor nor rich but our lives will be relatively well-off. The second step is that we will spend 30 or 50 more years in order to approach the economic level of the developed countries and make our people's livelihood relatively prosperous. This is the major plan." Comrade Xiaoping also pointed out: "All the policies of opening up to the external world, enlivening our economy, carrying out reforms and so on are aimed at developing our socialist economy. We allow the private economy to develop, we permit foreigners to engage in joint ventures, invest and manage, but socialist public ownership will ultimately predominate. The aim of socialism is the prosperity of the people of the whole country together rather than polarization."

Comrade Deng Xiaoping's words clearly point out for us that the aim of socialism is to enable people of the whole country to become rich together. This should become the starting point for us in thinking about or acting on any problem.

Why should we carry out reforms? We carry out reforms in order to develop our socialist economy and eliminate poverty. Why should we quadruple our economy? The aim is to develop our socialist economy, eliminate poverty, and enable people to become rich together. In the past we carried out our revolution in order to fight against imperialism, feudalism, and bureaucratic capitalism and transform private ownership, because these things and the interests of our laboring people were indominable and because these things kept our country and people in a predicament of poverty and backwardness for a long time. Now we are making efforts to realize the four modernizations, enlivening the domestic economy, opening up to the external world, developing a planned commodity economy on the basis of public ownership, and paying even greater attention to science, education, knowledge, and personnel. All this is aimed at making our country and people rich and prosperous. Poverty must be eliminated in socialism, and we should not regard poverty as socialism. This seems to be a very plain truth, but it was only after we had undergone many twists and turns and accumulated over 30 years of experience and lessons that we clearly understood this truth.

Since the founding of the PRC there have been mistakes in our economic construction. The major lesson drawn on from these mistakes was that we failed to focus all our energy on developing our socialist economy so as to enable people of the whole country to become rich together.

The starting point of all unhealthy tendencies, including pursuing one's private interests by exploiting one's power of office, wasting the property of the state, and exploiting the loopholes in our reforms to develop various kinds of new malpractices under the banner of "making a fortune" and "becoming rich" is by no means to become rich together but to benefit at the expense of the state or other people.

Making our country rich is closely linked to making the people of the whole country rich together. The latter is the foundation for the former, while the former is the guarantee for the latter. If our people are not rich, it is impossible for our country to become rich; if the state lacks financial strength, there will be difficulties in our reforms and in quadrupling our output value and it will be difficult for the people to become rich together.

Allowing some people to become rich earlier than others serves to make those who have become rich earlier help those who have not become rich to become rich together. Those who become rich earlier than others must achieve this by their own labor. If some of our people make large amounts of money not by their effective labor but by conducting malpractices, this certainly means that they have taken away a part of the labor achievements of other people. This not only makes it difficult to make the country and the people rich but will in the end make the country and people poor.

In short, under the preconditions of maintaining the predominate position of public ownership, we should carry out the four socialist modernizations, develop our socialist economy, and enable the people to become rich together. This is a basic principle that we must adhere to, and is also the goal of our struggle.

PARTY RECTIFICATION INSTRUMENTAL TO REFORM

HK141520 Beijing RENMIN RIBAO in Chinese 12 Mar 85 p 5

[Article by Zhang Zaiwang, secretary of the Tianjin Municipal CPC Committee: "A Correct Way To Resolve Inner-Party Contradictions -- Some Understandings Gained Through Taking Part in Party Rectification"]

[Text] In order to fulfill the four tasks during party rectification, it is necessary to adopt correct methods. Through taking part in the first phase of party rectification, I have come to understand that the basic methods provided by the decision of the CPC Central Committee on party rectification are entirely correct.

Before the party rectification started, there were two erroneous ideological trends among the party members in our city. One was that some party members and party-member cadres who had not shaken off the yoke of the "leftist" ideology were always looking upon the party's policies and principles in accordance with the "leftist" theories. The other was that some comrades who were still fettered by old ideas and conventions had failed to understand, suit, and follow the new situation, which was characterized by reform and the policy of opening to the outside world. Some others who were unable to withstand the corrosive influence of capitalist ideology had questioned and negated the four basic principles. Under such circumstances, how could we do a good job in uniting the people's thought? Some people held that since this is a question of principle and stand in the course of party rectification, a true struggle should be carried out so as to "touch people to their very souls." This shows that after a long-term abnormal political life within the party, especially after the "10 years of turmoil," it is vitally important to adopt correct principles and methods to solve the problems of different understandings within the party. When the party rectification started, we organized the broad masses of party members to conscientiously review and sum up the previous party rectifications in the history of our party, especially the experiences and lessons of the "Cultural Revolution," so that all of them could understand that such "leftist" methods as carrying out ideological struggles in an oversimplified way and carrying out a ruthless struggle and merciless blows are harmful to our party rectification and should be resolutely discarded. Through party rectification, the party members should become more conscious and enthusiastic in the construction of the four modernizations, and should be more united and more energetic in creating a new situation. If they become depressed after the rectification, it means that the rectification is a failure. We took the study of the central documents and the task of unifying the people's thinking as the central link and used more than a year's time to carry out positive education in various party rectification units, including the education in the party's line, policies, and principles mapped out since the 3d Plenary Session of the 11th CPC Central Committee, the education in the party program and party constitution, the education in the party's fine traditions, and the education to totally negate the "Cultural Revolution." Through patient and painstaking ideological education, the consciousness of party members has been raised and they have conscientiously carried out comparisons and examinations. As to a small number of comrades who are still not aware of their mistakes, we allow them to explain themselves, to revise their viewpoints, to correct their mistakes, to reserve their opinions, and to continue to study and practice, rather than forcing them to make self-criticisms. This method has been proved to be effective.

On the question of rectifying the work style and purifying organization, we have resolutely discarded the past "leftist" practice of launching political movements and abolished the wrong methods used during the "Cultural Revolution," such as raising everything to the higher plane of principle, randomly depriving people of personal freedom, insulting and humiliating people, and implicating relatives in cases.

The policy of "learning from past mistakes to avoid future ones, and curing the illness to save the patient" and that of "clarity in ideology and unity among comrades," which were implemented during the Yanan rectification, were restored and developed in the first phase of party rectification. For example, when correcting the unhealthy tendency of taking advantage of power to seek private gains and combating bureaucracy, efforts were concentrated on correcting those malpractices which had brought about serious consequences and great losses and those which had been committed again during the party rectification. Although they were few, they should be resolutely corrected and their cases should be seriously handled. As to some common mistakes, they should be corrected mainly through criticism and self-criticism. It is necessary to educate erring comrades to carry out conscientious self-criticism so as to gain a good understanding of the harmfulness of their mistakes and to correct them conscientiously. If the same mistakes are committed again, they should be dealt with more seriously. Practice shows that this method is correct, helps resolutely rectify the unhealthy tendencies and prevent deviations, and ensures the smooth progress of party rectification. For another example, in the work of checking the "people of three categories," we have adhered to the principle of "being resolute and prudent, letting no mistakes escape, and not magnifying mistakes," as well as the policy of dealing with different things or people in different ways in light of different situations. The party's policies have been implemented in a strict manner.

For a long time in the past we were used to resolving inner-party contradictions and problems by means of political movements, and paid less attention to linking the solution of ideological problems within the party with the economic construction. In particular, during the "10 years of internal disorder," it became so absurd that politics could pound away at economy and everything else. After correctly summing up historical experiences, the CPC Central Committee clearly pointed out that this party rectification should be combined with the construction of the four modernizations, which is the central task of our party and state. It is necessary to eliminate all negative factors existing within the party by resolving the contradictions and problems in inner-party political life and to raise the ideological level and work efficiency of the whole party so that the party ranks can better suit the needs of realizing the general task of the party in the new historical period. We have adhered to this guiding ideology from beginning to end while making arrangements and carrying out various tasks during party rectification. We have made a rational division of work and established two leading groups for each unit in which party rectification is being carried out so that both party rectification and construction may not be affected. On the other hand, in every stage of party rectification, we have emphasized that all concrete tasks should be undertaken around the central task of economic construction, especially around the practice of the reform. Various tasks for party rectification should be carried out in accordance with the needs of the reform, and through the party rectification, we must clear the roads for the reform and ensure that it be carried out smoothly and vigorously. Last year the initial plans for reform on several major fronts in our city were worked out during the stage of examination and correction of defects in the party rectification. Most party and government leading organs participating in the first phase of party rectification feel that since the rectification, they have more initiative in leading the reform and in opening to the outside world. The reform is thus being carried out in a more orderly way.

ARTICLE CRITICIZES OFFICIALS DOING BUSINESS

HK140902 Beijing RENMIN RIBAO in Chinese 11 Mar 85 p 5

[Article by Xu Xun: "Officials Doing Private Business Are Extremely Harmful to the State"]

[Text] A number of merchant bureaucrats emerge as soon as party and government organizations and cadres play a dual role, getting involved in both private commerce and running their own enterprises.

Because of the nature of their jobs, state officials engaging in profit-making businesses, on the one hand, are required to be familiar with and have easy access to a great deal of information about political, economic, and social life and the developmental trends in these fields. On the other hand, based on the needs of commercial activities, as business dealers they must also keep abreast of the current situation in political, economic, and social life, especially future developmental trends. Thus, a clear demarcation line can hardly be drawn between the two roles of those officials engaging in profit-making business. At the same time, state officials are vested with a certain degree of power, such as approving project proposals, issuing instructions, and so on. Their positions and authority provide them the opportunity to establish relations with different circles and favorable conditions beyond other people's reach in profit-making business. By and large, merchant bureaucrats can readily use their positions and power, as well as the specially favorable conditions derived from their status, to serve their businesses and help themselves to gain high profits. These people are hardly immune to the malpractices of seeking private gain at public expense. Obviously this may inflict great losses upon the state and the people. This is why both socialist and capitalist countries have promulgated laws to ban state organs and their staff from engaging in profit-making businesses beyond their jurisdiction. For example, Yugoslav law stipulates that no commissioned or appointed cadre of administrative organizations is allowed to engage in any activity of another department or autonomous organization. British law stipulates that no official is allowed to do private business or get involved in any profit-making activities which are related to the duties of his department. French law governing the activities of state officials stipulates that all officials are prohibited from holding concurrently any private post or any other public office which may bring them a reward, and even the spouse of an official must declare any profit-making activities in which he or she is engaging. Legally speaking, therefore, both socialist and capitalist countries prohibit officials from concurrently holding government office and engaging in private business and disapprove of merchant bureaucrats.

Officials doing private business have caused such tremendous suffering to the Chinese people that they can never forget the misery. Bureaucrat capitalism was one of the three big mountains which weighed on the backs of the Chinese people before liberation, when Chiang, Soong, Kung, and Chen were both the political rulers and economic monopoly holders in China. They were merchant bureaucrats at the highest level. After the victory of the anti-Japanese war, the Chiang, Soong, Kung, and Chen clans and the numerous senior and junior KMT bureaucrats made "an enormous fortune in taking over" (or "in robbing," as the masses put it) the financial setups, industrial and commercial enterprises, and land that the Japanese aggressors and their puppets had snatched from the Chinese people. Thus, they built up their bureaucrat capitalist setup. Making use of their power, they monopolized businesses and ruthlessly exploited the Chinese people. There were numerous examples of their reaping colossal profits by making use of their privileges and powers. In late February 1946, Chen Li-fu, who learned in advance of a forthcoming change in the foreign currency exchange rate, bought \$1.19 million at the exchange rate of 22 yuan for \$1. On 1 March, the official exchange rate for U.S. dollar was raised to more than 2,000 yuan for \$1. Thus Chen Li-fu gained more than 2.3 billion yuan in an instant. Who were the victims? The state and the people. The collapse of the KMT government was due on the one hand to its anticommunist and antipeople stand and its launching the civil war, and, on the other hand, due to its officials' involvement in private businesses and quest for staggering profits by making use of their privileges.

Of course, our party and government organization and their cadres that are doing business and running enterprises are different in essence from those bureaucrat capitalists existing before liberation. In the first place, the fundamental purpose of our party and government is to wholeheartedly strive for the state's prosperity and the people's well-being.

The party and government strictly ban party and government organizations, as well as party members and cadres, from seeking private interests at the expense of the interests of the state and people. Second, most of the party and government organizations and cadres that are doing business are not pursuing private interests but the well-being of the cadres and members of their organizations and units. However, as soon as party and government cadres are allowed to do private business, there will inevitably be some loopholes that those who seek private interests can use. Even if they are working for the well-being of the cadres and masses of their units, they are only serving the small personal interests of their members, and thus are usually antagonistic to the interests of the state and the people. As a result, some individuals may always ignore the interests of the state and the people in the pursuit of small group interests. This practice is by no means less pernicious than corruption.

Our country is now carrying out an overall reform of its economic structure. Reform is the hope of the country, the people, and the cadres of our party and government organizations. We have already made a good start in the reform. The cadres of our party and government organizations must make every effort to fulfill their duties and do a good job in the reform. They should absolutely not destroy the great cause of reform by seeking small group interests or their own private ones. To be sure, we must show concern for the welfare of the cadres and masses of our party and government organizations. However, this problem can only be solved step by step within the limits laid down by the central authorities in the laws and decrees concerned and in the process during which the country is becoming prosperous and the people rich. It is absolutely forbidden to seek welfare by doing private business in making use of one's power. We must bear in mind this principle: In our country, after a number of people have taken the lead in getting rich, other people, greater in number, will follow their example in becoming rich. However, the cadres of our party and government organizations are certainly the last group to get rich and, generally speaking, they will surely not be so rich as the peasants and workers. This is not humiliation, but a natural outcome for the cadres of our party and government organizations who maintain the principle of serving the people as their motto.

ZHAO ZIYANG BRIEFED ON BUILDING MATERIALS

OW141233 Beijing Domestic Service in Mandarin 1200 GMT 9 Mar 85

[Excerpt] A national meeting of the directors of building materials industry bureaus opened in Beijing today. The meeting called on the building materials industry to make a strategic shift from being undertaken by one department to being undertaken by all departments, and a shift from being managed by the department to being managed by the trade.

At the end of last year, the State Administration of Building Materials urged all quarters to give a hand in developing the building materials industry. Leading comrades of the State Council recently pointed out that it is a correct policy to mobilize all departments, localities, and enterprises to go in for building materials. On 6 March, Zhao Ziyang and other leading comrades of the State Council listened to a report on the development of the building materials industry.

HU QIAOMU EMPHASIZES DANGERS OF SMOKING

OW140053 Shanghai JIEFANG RIBAO in Chinese 9 Mar 85 p 1

[From XINXI HUIBAO [0207 1873 0565 1032 information report] -- date not given]

[Text] When inspecting the Xiamen cigarette factory, Hu Qiaomu, member of the Political Bureau of the CPC Central Committee, said that, while paying attention to economic results, a cigarette factory must also take public welfare into consideration.

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He suggested that cigarette factories put on the advertisements or packing paper such warnings urging no smoking in public meeting places, or that pregnant women, aged people, and those who have respiratory troubles should not smoke.

WAN LI PLANTS TREES IN HEFEI PARK 12 MAR

OW141455 Beijing XINHUA Domestic Service in Chinese 1436 GMT 12 Mar 85

[By reporters Cao Shaoping and Tian Xuexiang]

[Text] Hefei, 12 Mar (XINHUA) -- Wan Li, vice premier of the State Council and chairman of the Central Greening Committee, took part in tree planting activities in Hefei today while inspecting the Huancheng Park here. He stressed that it is necessary to plant trees, grass and flowers in an effort to build out cities into garden-like urban centers so that the residents can live comfortably and have a sound work environment. This is an important matter that will benefit the people and future generations, he said.

Today is Arbor Day. At about 0900, Wan Li arrived at Daoxiang Garden in the Western section of the Huancheng Park in Hefei. There he joined Huang Huang, secretary of the Anhui Provincial CPC Committee, and other responsible persons of the party, government, and military organizations of Anhui in planting trees. He planted two sweet osmanthus trees and two crape myrtle trees. While planting, he said that afforestation is a task that needs the efforts not only of one or two generations but future generations. After planting the trees, he inspected the Huancheng Park and called for Hefei's efforts to build it still better.

While inspecting the progress of Hefei's urban development, Wan Li urged responsible persons of Anhui Province and Hefei to do a good job in urban center management and construction. He said that it is necessary to plant trees, grass, and flowers and houses in our efforts to develop urban centers. In constructing houses, attention should be paid to their good appearance and style as well as their colors and special characteristics. We cannot demand uniformity, he said.

LI DESHENG URGES ATTENTION TO ENDEMIC DISEASE

OW150107 Beijing XINHUA Domestic Service in Chinese 1322 GMT 12 Mar 85

[Text] Chengdu, 12 Mar (XINHUA) -- After hearing a work report by Vice Governor Liu Chunfu of Sichuan on the prevention and treatment of endemic disease on 10 March in Chengdu, Li Desheng, member of the Political Bureau of the CPC Central Committee and head of the Central Leading Group for Prevention and Treatment of Local Endemic Disease said: It is the objective of all Communist Party members and cadres to pay attention to people's health, be concerned about their well-being, and work for their benefit.

Li Desheng said: Cadres at all levels should think about the health of the people. The work of preventing and curing endemic disease must be subordinated to and serve the party's general tasks and objectives. We must do a good job and create a new situation in the work of preventing and curing endemic disease under the guidance of the party's general tasks and objectives.

Li Desheng stressed: Party committees and governments at all levels must pay close attention to and strengthen the leadership over the prevention and treatment of endemic disease. Departments concerned must coordinate efforts to jointly tackle disease.

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The office of the Leading Group for Prevention and Treatment of Endemic Disease must conduct in-depth investigation and familiarize itself with the situation in order to offer good advice. At the same time, we must combine the prevention and treatment of endemic disease with the work of helping local people eliminate poverty and prosper. After production is increased and the people's livelihood improved, the incidence of disease can be reduced and patients rehabilitated.

On how to do a good job in the prevention and treatment of endemic disease, Li Desheng said: All localities must adopt measures in accordance with the actual situation in each locality. We must grasp typical cases by visiting areas stricken by disease and calling on patients to understand the situation, we must show concern for them in order to draw experience from typical cases in promoting overall work and training cadres. We must achieve progress in the work so that leaders at various levels will attach even greater importance to and show more concern for the prevention and treatment of endemic disease.

LI PENG VISITS ANHUI FLOOD VICTIMS 7-8 MAR

OW140117 Beijing XINHUA Domestic Service in Chinese 1703 GMT 11 Mar 85

[By reporter Shen Zurun]

[Text] Hefei, 11 Mar (XINHUA) -- Vice Premier of the State Council Li Peng visited flood victims along the Huai He in Anhui from 7 to 8 March, and discussed with local cadres and peasants ways to combat natural calamities and eliminate poverty. From June to October last year, torrential rain repeatedly fell in the upper and middle reaches of the Huai He, threatening the safety of the major dikes along the river. Floodwater was released over a hundred thousand mu of low-lying land in Henan and Anhui along the Huai He, according to plan. However, serious economic losses were caused to more than 200,000 peasants. After the disaster, governments at various levels provided timely assistance to the flood victims, by handing out grain and funds to enable them to engage in production and ensure their basic needs.

On the afternoon of 8 March, Comrade Li Peng, accompanied by Vice Minister of Water Resources and Electric Power Yang Zhenhuai, Vice Governor of Anhui Meng Fulin, and Vice Governor of Henan Hu Tingji, arrived at Shuangmiao village in Miaotai Township, Yingshang County, in cold wind and drizzle. He called on one farm household after another, and asked about food, clothing, housing, and other daily necessities. He was very gratified to know that the peasants' basic needs had been provided for since the disaster. Comrade Li Peng said: "On behalf of the party Central Committee and the State Council, I am calling on you to extend sincere solicitude." The peasants responded to the central authorities' kind concern with warm applause.

Comrade Li Peng took a boat trip of some 100 kilometers along the middle reaches of the Huai He from Henan's Huaibin County to Zhengyangguan in Anhui's Shouxian County. During the trip, he went ashore several times to extend solicitude to the flood victims. He also noted the questions raised by the peasants, and studied solutions with leading cadres of Fuyang Prefecture and Yingshang and Huoqiu Counties separately.

WAN LI, LI PENG SPEAK ON HARNESSING HUAI HE

OW141407 Beijing XINHUA Domestic Service in Chinese 1210 GMT 13 Mar 85

[Excerpts] Hefei, 13 Mar (XINHUA) -- The State Council held a conference on harnessing the Huai He in Hefei, Anhui Province, from 10 to 12 March.

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Vice Premier Wan Li said: We must continue to harness the Huai He to benefit future generations. In harnessing the river, we must have ideals, show consideration for the overall situation, and lay stress on science.

The State Council held the conference mainly to examine the future long-term plans for harnessing the Huai He and other relevant plans for implementation during the Seventh 5-Year Plan period as presented by the Committee for Harnessing the Huai He under the Ministry of Water Conservancy and Power. Vice Premiers of the State Council Wan Li and Li Peng attended the conference. Minister of Water Conservancy and Power Qian Zhengying and Vice Minister Yang Zhenghuai gave explanations on various questions. The conference also discussed some important engineering projects related to harnessing the Huai He during the Seventh 5-Year Plan period.

Wan Li and Li Peng spoke at the conference. Wan Li said: The CPC Central Committee and the State Council have shown much concern for the work of harnessing the Huai He. Over the past 2 years, Comrades Hu Yaobang and Zhao Ziyang have inspected the Huai He and presented important opinions. Since the founding of new China, much progress has been scored in harnessing the Huai He. However, there are still problems which have not yet been solved. In implementing the long-term plans for harnessing the Huai He we must have ideals, show consideration for the overall situation, and emphasize science. We must also be resolved to solve some major problems in harnessing the Huai He during the Seventh 5-Year Plan period.

In his speech, Li Peng said: The Huai He Basin is inhabited by over 100 million people. With over 200 million mu of arable land, the basin's natural conditions are very good. It is one of China's major coal and power production bases and important grain and cotton producing areas. With the Huai He completely harnessed, its basin area would become as economically developed as the Chang Jiang and the Zhu Jiang Deltas. In harnessing the Huai He, we must continue to adhere to the principle of "attaching importance to both storage and drainage" as was put forth by late Premier Zhou Enlai.

Prior to the conference, Comrade Li Peng also inspected some areas of the Huai He basin, and called on the people of the disaster areas.

LI PENG TALKS AT CIVIL AVIATION CONFERENCE

OW141321 Beijing XINHUA Domestic Service in Chinese 1722 GMT 12 Mar 85

[Text] Beijing, 12 Mar (XINHUA) -- Vice Premier Li Peng said at the national conference on civil aviation work today that the fundamental way of developing civil aviation is to carry out reform, and the main content of reform is to draw a clear distinction between the functions of the government and those of enterprises and bring into play the initiative of various units in running civil aviation work.

Li Peng pointed out: After the separation of the functions of the government and those of the enterprises under the civil aviation system, it is necessary to truly delegate power to enterprises and fully whip up the initiative of air and ground personnel. Civil aviation run by different units is a good means of development. At present, some localities and departments are working enthusiastically and we should support them and give full play to their initiative. In this way, we can change the situation of running civil aviation by one unit and promote the improvement of civil aviation work. However, civil aviation work has its special characteristics and so various localities and departments must follow state regulations in handling civil aviation and the civil aviation administrative departments should correctly guide the work.

Touching on safety and service quality in civil aviation, Li Peng said: Air transportation is a modern means of transportation. We must firmly adhere to the policy of safety first and strengthen the training of staff members and workers in modern management and advanced technology. We should strengthen education on professional ethics and discipline for service personnel in order to raise the level of management and service quality constantly in civil aviation and truly make civil aviation a window of spiritual civilization.

DENG LIQUN PRAISES YOUTHS FOR SOCIAL CONCERN

OK140143 Beijing XINHUA Domestic Service in Chinese 1309 GMT 10 Mar 85

[By reporter Huang Zhimin]

[Text] Beijing, 10 Mar (XINHUA) -- Deng Liqun, member of the Secretariat of the CPC Central Committee, director of its Propaganda Department, and vice chairman of the Central Committee on the Five Stresses, Four Beauties, and Three Loves spoke at a report meeting today to review the results of the comprehensive social service activity, launched by the youngsters of Xuanwu District in Beijing Municipality. He called on the youngsters throughout the country to diligently study Comrade Deng Xiaoping's speech at the National Scientific and Technological Work Conference, strive to be a new generation with ideals, morality, good education, and discipline, and promote the building of both spiritual and material civilization.

The comprehensive social service activity was launched by the youngsters of Xuanwu District in 1982. So far, some 5,000 youngsters in the district have set up various service groups to visit the houses of old people living alone, and of sick and disabled people to attend to their needs, read books and newspapers to them, or take them out for sightseeing. On the eve of the Spring Festival this year, the youngsters delivered dumplings to their houses, and performed entertainment programs for them, thereby enabling them to experience the warmth of the big socialist family.

After hearing the youngsters' reports, Deng Liqun praised them for putting their ideals into action by rendering voluntary social services to the people. He said that the comprehensive social service activity is a good way to conduct education and act on communist ideals. He called for spreading this activity throughout the whole country, in order to further promote the building of spiritual civilization.

Deputy Secretary of the Beijing municipal party committee Jin Jian, Secretary of the secretariat of the CYL Central Committee Li Yuanchao, and Vice Minister of Civil Affairs Zhang Ming attended the meeting.

PAPER FOCUSES ON TRANSFER OF MILITARY TECHNOLOGY

HK140825 Beijing JINGJI RIBAO in Chinese 11 Mar 85 p 1

[Editorial: "An Important Task in Reforming the System of Science, Technology, and Industry for National Defense -- on Transfer of War Industry Technology to Civilian Industry"]

[Text] To transfer war industry technology to civilian industry as continuously and quickly as possible with the joint efforts of the war industrial system and local enterprises has become an important task in reforming the system of science, technology, and industry for national defense.

The practical experience of the Commission of Science, Technology, and Industry for National Defense and the Tianjin municipal government in unfolding economic and technical cooperation has demonstrated that the transfer of war industry technology to civilian industry is the combination of the initiative and advantages of two aspects. The initiative of the two aspects are: actively "facing" civilian industry on the part of war industry departments on the one hand, and active "reliance" on war industry departments on the part of civilian industry on the other. The initiative of neither aspect is dispensable. And the two advantages are: the abundance of scientific and technological forces and the great potential of the war industry system on the one hand, and the thousands upon thousands of civilian enterprises and their tremendous production capacity on the other. The economic and technical cooperation between science, technology and industry for national defense and civilian industry is an important channel for bringing into play the advantages of each, and for promoting the development of China's economy and technology. Recently, having fully affirmed the joint efforts and marked achievements of the Commission of Science, Technology, and Industry for National Defense and Tianjin, Comrade Zhao Ziyang pointed out that it is necessary to popularize their experience nationwide and, in particular, to do a good job in several provinces and cities where industrial units are comparatively great in number.

Doing a good job in the transfer of war industry technology to civilian industry is vitally important. And it is all the more important for departments of science, technology, and industry for national defense themselves to look for civilian units to which to transfer their technology. At the same time, war industrial departments should further work out a catalogue in which new technologies that can be transferred to civilian industry are listed, and publicize it widely so that localities and enterprises may find a way to make connections with them. The cooperation between the Commission of Science, Technology, and Industry for National Defense and Tianjin has developed precisely on the basis of enhancing ties and promoting understanding.

Science and technology are productive forces. Making a success in earnest of the transfer of war industry technology to civilian industry is to convert potential productive forces into reality. The departments of science, technology, and industry for national defense have made contributions to the country in building a modernized national defense. Most of the new technologies mastered in their practice can be applied to civilian industry. Such potential productive forces will produce tremendous economic results once their effective transfer is realized. The system under the Commission of Science, Technology, and Industry for National Defense has signed 109 accords with Tianjin, and 981 projects had been completed by the end of 1984, with an expected annual increase of more than 160 million yuan in gross industrial output value and more than 20 million yuan in tax and profits handed over to the state. Among them, 12 projects have reached a world advanced level.

It is also very important to bring into play the initiative of all aspects and to intensify the capability of enterprises in developing technology. Let us earnestly implement the Central Committee's policy of Army-civilian joint efforts, in order to make greater contributions to pushing forward the progress of technology and economic invigoration!

RESEARCH INTO NATIONAL DEFENSE ECONOMICS VIEWED

HK140808 Beijing LIAOWANG in Chinese No 9, 4 Mar 85 p 8

[Article by Yi Jianru: "Intensify Research Into National Defense Economics"]

[Text] How can we achieve the greatest results in national defense with the least military expenditures?

How can we acquire the greatest possible output of national defense materiel with the least consumption of manpower and materials? With regard to handling the relationship between national defense construction and the national economy, how can we find the most rational structure so that the two may obtain the best development rate? These were the important topics under study at the symposium on national defense economics convened recently.

National defense economics is a frontier science between military science and economics, and one devoted to studying the objective laws and development of the mutual relations national defense and the national economy. Western economists regard the proportional relationship between the national defense economy and the national economy as one between "guns and butter." After World War I national defense economics became an independent science, and the "Economics of War" written by (?Pigau) [bigu 1642 6253] of the United Kingdom was the world's first treatise on national defense economics. Before, during and after World War II, Germany, Japan, the Soviet Union and other countries published a number of works on war economics. In the 1960's two influential books were published in the United States: "National Defense Economics in the Nuclear Age" and "Political Economics of National Security." By the 1980's, amid the turbulent international situation, many countries had attached greater importance to the study of national defense economics. China's research into national defense economics lags far behind national defense construction itself. In recent years more than 20 military and civilian units have undertaken research into national defense economics. Zhang Aiping, minister of national defense; Hong Xuechi, chief of the PLA General Logistics Department; and Qian Xueshen, the famous scientist, have rendered support and guidance to research in this field. The symposium held by the research units were all highly valued by the leading comrades of the Central Military Commission and attracted the attention of authorities in economics circles as well.

At the recent symposium on national defense economics, the participants appealed for strengthening research and development in this branch of science. They cited a large number of facts to demonstrate the losses in China's national defense construction due to lack of theoretical guidance. They pointed out that since the founding of the PRC, we have scored tremendous achievements in our national defense construction and safeguarded our national security and the progress of socialist construction. All this is beyond doubt. However, we should draw many lessons from the mistakes in our strategic decisions in national defense. Between the mid-1960's and early 1970's we practically handled the relationship between our national defense economy and national economy in line with a wartime economy, which found expression in the disregard of economic results. The national defense economic system had been irrational for a long time, and the national defense science and technical industry was not regarded as an economic body and lacked the necessary dynamism. Later, Lin Biao's strategy of "dispersing the war industry in mountains and caves" pushed such blindness to the extreme, resulting in serious waste of manpower and materials. In those years the national defense science and technical industry had been self-contained, and many important results of science and technology were not promptly transferred to civil application. For example, China succeeded in developing its first airplane in '954, and many categories of airplanes for military purposes have been produced over the past 3 decades; however, China to date has failed to develop a large-type passenger plane for civil aviation. China is the fifth country in the world to succeed in testing an atomic bomb, but no nuclear power station has been built so far, while there are more than 300 nuclear power stations in the world today. They mentioned the fact that the comrades of the national defense departments often attach little importance to observing and utilizing objective economic laws, and often taken into consideration only the needs of national defense when thinking about problems and handling affairs while neglecting economic results. Some of them even hold that as long as something is needed for military purposes, it should be acquired "at all costs" whether in peacetime or war. Some comrades of civil economic construction departments do not give sufficient consideration to the needs of national defense. These lessons were learned at great economic cost.

By establishing our theory through research, we will keep ourselves clear-headed in the development of our national defense economy in the future.

The participants in the symposium held that the discussion on whether weaponry are commodities is a key to economic reform of the war industry. Weaponry has a commodity quality as well, and there is little doubt about that in foreign countries. But in China, they have not been regarded as commodities for a long time.

Accepting that military supplies are commodities, changing some old concepts of the past, and observing the law of value in the military realm as well in order to make the production, purchase, application, and replacement of weapons be carried out on the basis of the economic laws will all improve results and help provide an internal motive force.

Viewing the more than 30 treatises submitted at the symposium on national defense economics, research into this field is worthwhile. Economic construction and national defense construction are the two pillars in building a powerful socialist motherland. The two supplement each other. If the relationship between the two is correctly handled based on the results of research, national defense construction will better serve national economy construction and promote the latter's development. The development of the national economy in turn will be helpful to the modernization of national defense. economy, we paid too much attention to the powerful status of those who made strategic In the past, in matters of decisionmaking in the national defense economy, we paid too much attention to the powerful status of those who made strategic decisions while neglecting the question of whether the decisions were scientific and would yield good economic results. Through research into national defense economics, many important problems in the construction of the national defense economy can be studied macroscopically and theoretical grounds can be provided for the leadership to avoid blindness.

In order to push forward research into national defence economics, the founding of a national defense economics research association is under preparation, and strength in all quarters concerned will be mobilized and organized to study and sum up the experiences at home and abroad. It is expected that soon China will nurture a socialist national defense economics with Chinese characteristics.

PAST DEBATES ON ABOLISHING CURRENCY REVIEWED

HK140819 Beijing RENMIN RIBAO in Chinese 8 Mar 85 p 5

[Article by Sui Xiwen: "Several Debates on the Circulation of Money"]

[Text] Si Maqian, writer of the "Records of the Historian," said: "When the channels of trade between the agricultural, industrial, and commercial sectors were opened up, money of various kinds developed." The emergence of currency is an inevitable consequence of the development of the productive forces and the emergence of commodity economy after the two major divisions of labor occurred. It was an important sign of the entry of human society into an era of civilization. In our country, there has been a 4,000 to 5,000 year history of currency and commodity exchange. The writer of the "History of the Han Dynasty" held that currency first emerged in the reign of Emperor Shennong, while Guang Zhong held it began in the reign of Emperor Yu. It seems to us that there were currencies at the end of the period of primitive society. The emergence of currency promoted the development of commodity exchange and the productive forces. However, in ancient China, debates over the advantages and disadvantages of money and over the necessity for the existence of currency continued for several hundred years.

Money has removed the limitation of time, space, and of matching individuals' needs in exchanging goods, and facilitated the realization of the use value and value of commodities. That is why ancient people called "food" and "goods" "the basic things for the people's livelihood" (Ban Gu's words) and the "basic things for making a country rich" (Ma Yuan's words). However, the small scale of production and the dominant position of the natural economy restricted people's field of vision; therefore, there were various kinds of criticism against currencies. Some people held that that money is the root of all evil and that only by eliminating currency and restricting commodity circulation to the least extent can various defects of the society and the economy be removed. During the reign of Emperor Yuan of the Han Dynasty, a senior official, Gong Yu, took the lead in putting forth the question of abolishing currency. He said: Because of the existence of money, "rich people are not satisfied even when their rooms are filled with money. Money shakes people's will, causes them to attend to what is peripheral to the neglect of what is basic, and makes it impossible to eliminate crafty and evil people." Gong Yu blamed all evil on money, insisted on the abolition of the circulation of money and the restoration of barter trade in order to reduce the extent of the commodity economy to the lowest level of a primitive society. Thus "all rent, taxes, and salaries of officials are paid in cloth and grain so as to make the people concentrate on conducting agriculture and silkworm breeding." ("History of the Han Dynasty: Treatise on Economy and Finance") Most of the officials in the court opposed Gong Yu's view and their reason was: "Money is necessary for doing business and cloth is useless when divided into small pieces," and using cloth and other goods as currencies will cause countless problems for trade and is therefore, hardly feasible. Just as Lu Zuqian of the Southern Song Dynasty said: "People like Gong Yu wanted to entirely abolish money and replace it with cloth. This is a practice of exceeding the proper limits in righting a wrong." It was a "shortsighted erroneous idea." (cited from "A General Textual Research of Documents: Currency Systems in Past Dynasties") In the Jianping reign of Emperor Ai of the Han Dynasty, 40 years after Gong Yu's view was negated, some people in the court suggested the abolition of money and the use of grain in bartering for other goods. Therefore, Emperor Ai solicited the opinion of Shi Dan, president of the Board of Works. Shi Dan favored the abolition of currency. Thereupon, the emperor told the officials in his court to discuss this suggestion. Some of the senior officials opposed Shi Dan's view and held that money did not have to be abolished and that Shi Dan was old and had such a muddled mind that he "forgets what he just said." The debate concluded in negating the view of Shi Dan and his like on the abolishment of money.

However, the idea of stressing agriculture and restricting commerce and regarding agriculture as essential is so ingrained and the social foundation for the idea of looking down upon commerce is so widely established that whenever there was a social disturbance or great economic difficulties, some people would suggest the abolition of currency and restriction of commodity circulation as a good recipe to cure society's maladies. During the Wei Dynasty in the Three Kingdoms Period, the idea of the abolition of currency was actually implemented. In the second year of the Huangchu reign of Emperor Wen of the Wei Dynasty, "Wuzhu coins were withdrawn from circulation and the people were ordered to use grain and silk cloth to barter goods." By the reign of Emperor Ming of the Wei Dynasty, "as the use of coins had been abolished and grain had been used to barter for goods for a long time, there was an increasingly frequent practice of tricks such as adding water to grain to make a profit or making thin silk cloth to barter for other goods. This malpractice was hard to put an end to in spite of severe punishment." ("History of the Jin Dynasty: Treatise on Economy and Finance.") When grain was used to replace money, people often added water to grain in exchanging it for other goods; when silk cloth was used to replace money, the cloth people made became increasingly thin. Practice has proven that social malpractices cannot be eliminated by abolishing currency and that bartering will give rise to tricks and frauds, cause products to be destroyed and give rise to endless evil.

Then, there was a major debate in the court of the Wei Dynasty. Sima Zhi, president of the Board of Agriculture, said: "The use of money will not only make the country rich, but will also reduce crime. If we resume the production of Wuzhu coins, the country will become rich and crime will be reduced. This will be to our advantage." (Ibid) The circulation of money not only facilitates the development of the economy, but can also reduce crime. Most of the officials in the court agreed with Sima Zhi and thus ended the absurd 30 year practice of barter in our history.

Normally, this view which had already been proven in practice to be very harmful would have thus withered away. However, as it is based on a deep foundation of the closed natural economy, when there was disturbance or shortage of materials and goods some people would advocate this view again. In the reign of Emperor An of the Jing Dynasty, more than 160 years after the reign of Emperor Ming of the Wei Dynasty, Grand Marshal Huan Xuan acted as the prime minister and "suggested abolishing the use of money" and substituting grain and cloth for money. At that time, Huan Xuan had an overwhelming influence in the court and his actual power was greater than the emperor's. However, power could not change the laws governing the operation of the economy. Kong Linzhi, libationer of the West Chamber, opposed this suggestion, saying that money was indispensable for trade and that if money was used as a medium in trade, "it would allow people to avoid the costs, wastage and difficulties in transporting it." On the other hand, if money were replaced by grain and cloth, there would be much evil. For "grain and cloth are themselves very useful things as our food and clothing. If we now use them as currencies, there will be much waste of them owing to frequent changing hands and division into small pieces." He held that "abolishing money will not help us overcome the evil in society." ("History of the Song Dynasty" Vol 56) Most of the officials in the court agreed with Kong Linzhi's view and thus the suggestion of abolishing money was not put into practice. Perhaps this was the last debate in the past dynasties in China on the question of whether money should be abolished. The debate lasted for 400 to 500 years if we regard Gong Yu's suggestion as the beginning of the debate. That was quite a long debate. As for the question of which side was right in this debate, as the society and economy developed, it seemed that people gradually came to hold the same view. Just as Du You, a historian of the Tang Dynasty, said in his "Encyclopaedia": "There must be a way to calculate the value of all things. Since everything thus has a calculated value, there must be a thing to operate as a measure of the value. Gold and silver are used to make utensils and jewels, and grain and cloth are hard to transport and easy to scrap. Only copper coins can be endlessly circulated in trade." ("Encyclopaedia. Economy and Finance: Coins Vol 1") The writer of the "History of the Han Dynasty" also said: "When there is enough food and when money is smoothly circulating, the country and people will become rich and then it is possible to successfully educate the people." Money was an inevitable outcome of the development of the internal contradictions in a commodity economy. It had immortal merits in promoting commodity circulation, enlivening the economy, developing production, and providing convenience for people's livelihood. "Money is in fact indispensable for becoming rich" (Kong Linzhi's words). From the point of view of the development of the commodity economy, what he said was quite right. Therefore, the foolish view that negated the circulation of money was naturally opposed by people all over the country and was finally discarded. Since the Southern Dynasties, no one has ever publicly advocated the abolishment of money. However, there was still a large market for the view that regarded money as the source of all evil and the commodity economy as fierce floods and savage beasts, and that upheld making utmost efforts to restrict the commodity economy and the circulation of money. Feudal rulers in all past dynasties did their best to restrict commodity production and exchange between money and goods to the lowest possible extent. This kind of idea and practice was, in essence, not different from the view of Gong Yu, Huan Xuan, and their like on the abolition of money. The arguments that they used for the view on abolishing money and conducting barter trade were nothing but the arguments that money caused polarization ("Rich people filled their rooms with money."), that money caused people to give up agriculture and go in for commerce ("causes people to attend to what is peripheral to the neglect of what is basic"), and that it worsens public order ("makes it impossible to eliminate crafty and evil people").

Therefore, they held that abolishing money will enable them to overcome these mal-practices in society. In fact, these views always dominated the minds of most of the rulers of ancient China. What differentiates Gong Yu and his like from these rulers is that Gong Yu and his like wanted to thoroughly implement these views. We can also see that these traditional views always haunted the minds of living people like a ghost. It is not necessary to go into detail on how the traditional idea and practice of negating the commodity economy and the circulation of money brought heavy pressure to bear on the commodity economy and caused it to develop arduously and with twists and turns, how they seriously obstructed the development of our productive forces, and how they hindered the progress of Chinese society.

'ONE COUNTRY, TWO SYSTEMS' POLICY ANALYZED

HK141500 Beijing; GUANGMING RIBAO in Chinese 4 Mar 85 p 3

[Article by Deng Chao: "'One Country, Two Systems' and the Patriotic United Front"]

[Text] "One Country, two systems" is a scientific concept which was initiated by Comrade Deng Xiaoping in line with China's actual conditions in order to seek peaceful solution to the Hong Kong issue and the Taiwan issue. This scientific concept is a major development in Marxism. It has added new substance to the building of socialism with China reunification of the motherland. It is of great significance in strengthening and expanding the united front in the new period.

High Degree of Integration of Principles With Flexibility

The concept of "one country, two systems" refers to the idea that as socialism is practiced among the 1 billion people in China's mainland, the capitalist system is adopted in Hong Kong and Taiwan. The integration of a strong sense of principle with the flexibility of tactics is an important principle of Marxist strategy and tactics and of the united front. The concept of "one country, two systems" strongly reflects this principle. The steadfastness of this principle shows the adherence to the socialist road and the idea of a reunification of the country.

China must follow the socialist road. Only socialism can save China. Only socialism can make the Chinese nation unified, independent, strong, and prosperous. This is the basic demand of China's 1 billion people and is an irrevocable political principle.

China must be wholly unified. The Chinese nation should, at an early date, end the split and estrangement caused by the antagonism between the KMT and the CPC. China should recover Hong Kong and resume the exercise of sovereignty over it, effective 1 July 1997. This represents the overall interests of the country and the nation. It is the basic demand of the Chinese nation at home and abroad and is also an absolutely irrevocable political principle.

However, in order to achieve our principles, we may also follow permissible and necessary flexible policies. At the crucial moment when Japanese aggressors stepped up aggression against China, the CPC sent a message in February 1937 to the Third Plenum of the Fifth KMT Committee on peace, democracy, and the war of resistance. The message proposed four ideas, including renaming the Communist-led government in the Shaanxi-Gansu-Ningxi revolutionary base as a special regional government of the Republic of China and renaming the Red Army as the KMT revolutionary army. This is a brilliant example of using flexible policies by our party while persisting in its principles. Today, class struggle is no longer a principal contradiction in our country.

The basic task of the state is to concentrate efforts on socialist modernization. In order to unify the motherland and make China strong and prosperous, and proceeding from the overall and immediate interests of our country and nation, we have time and again urged making contacts and holding negotiations between the KMT and the CPC so as to promote the third KMT-CPC cooperation. After Taiwan returns to the embrace of the motherland, the policy of "one country, two systems" will be adopted there. Just as the Chinese Government and the British Government have solved the Hong Kong question, Taiwan's current capitalist system and lifestyle will not change. Taiwan will also be able to maintain its Army. This will not only keep Taiwan stable and prosperous for a long time, but will be able to bring about a peaceful reunification of the motherland, thus integrating the steadfastness of principles with a flexibility of tactics. If socialism is practiced in the principle part of China, while the capitalist system remains unchanged only in Hong Kong and Taiwan, this will in no way change the socialist nature of our country.

Two Systems Can Coexist for a Long Time and Support Each Other

Viewing the situation as a whole, the policy of "one country, two systems" can definitely be applied. Not only can it lead to the peaceful reunification of the motherland and make the country strong and prosperous, but it is also helpful for the long-term interests of our country and nation and the immediate interests of the people on China's mainland and in Hong Kong and Taiwan. It is also closely linked with our current three major tasks of attaining the four modernizations, unifying the motherland, and safeguarding world peace. The three tasks are interrelated and inseparable. We are now working for the four modernizations, so we need and should strive for a stable and peaceful situation both at home and abroad for a long time to come. When we successfully achieve the four modernizations, our country will become more strong and prosperous, the level of people's material and cultural lives will be enhanced step by step, and the possibility of having Taiwan return to the embrace of the motherland and unifying the motherland in a peaceful way will be increasingly raised. With the growth of our economic strength, defense capability, and position in the world, our unity and cooperation with the Third World and friendly countries and the strength of safeguarding world peace will increase. Meanwhile, unifying the motherland in a peaceful way and solving the Hong Kong issue and the Taiwan issue by means of the policy of "one country, two systems" can effectively push ahead the four modernizations and maintain peace in the Far East and other parts of the world. It can also furnish new experiences for solving some similar complicated issues in the world. The heart and foundation of the three major tasks are to successfully accomplish the four modernizations, which we should take as a starting point and foothold whenever we consider problems.

Politically: 1) The policy of "one country, two systems" means that two social systems are practiced directly under the central people's government of a sovereign state. They are by no means two parallel social systems, nor they are two political entities which are antagonistic to each other. 2) The people who live under the two social systems are all descendants of the Yan emperor and Huang emperor. There is a common political foundation for cooperation between them under the flag of patriotism, and they share many things in common such as national interests, economic interests, the glory of the country, and national pride, which enables them to support and not harm each other. 3) The adoption of the two social systems is our country's internal affair which brooks neither foreign interference nor any statements and actions which would try to split the Chinese nation and to create "two Chinas" or "one China, one Taiwan." The question of Hong Kong has been solved by the Chinese and British Governments by the signing of an international agreement; the joint declaration is binding on both sides. The Taiwan issue is our country's internal affair. We will certainly be able to solve it through negotiations and by reaching an agreement.

4) This policy is formulated on the basis of a perfect people's democratic system, and its stability and continuity can be guaranteed by the power of democracy and the legal system. It will not be changed at will by any individuals or due to a change in leadership.

Economically, with the policy of "one country, two systems" implemented, China's mainland will be able to strengthen its economic ties and cooperation with Hong Kong and Taiwan. This is an important factor for promoting common prosperity and development. With China's mainland behind it, Hong Kong has links to all parts of the world. Its superior geographic position and its important economic status as a free port and world financial, trade, and shipping center make Hong Kong inseparable from the motherland's four modernizations. On the one hand, the stability and prosperity of Hong Kong relies on the powerful support of the interior; on the other hand, China's mainland, with a population of 1 billion, is a very huge market. Since China opened to the outside world, the trade between the interior and Hong Kong has increased by a big margin in successive years. In line with the principle of equal footing and mutual benefit, capitalist Hong Kong and socialist China mainland can help supply each other's needs in the economic field, they can coexist over a long period of time, and they can develop together. Taiwan will be able to do exactly the same after it returns to the embrace of the motherland.

A New Mode of the Patriotic United Front

The strategic policy of "one country, two systems" is a new mode of our party's patriotic united front in the new historical period of socialist modernization, and seeks a satisfactory settlement of the Hong Kong issue and the Taiwan issue in a peaceful way so as to unify the motherland and make China strong and prosperous as quickly as possible. It constitutes a major part of the patriotic united front in the new period and contains many new things and features.

1. It is a national, patriotic united front policy. Holding aloft the banner of great unity and unification of the Chinese nation, it attaches primary importance to the overall interests of the state and nation for the goal of unifying the motherland and making China strong and prosperous.
2. It further defines and expands the scope of the patriotic united front in the new period. Comrade Deng Xiaoping said: "We put forth the idea of 'one country, two systems' to solve the problem of China's reunification. This is also a kind of peaceful coexistence." ("Build Socialism With Chinese Characteristics," page 67) The policy of "one country, two systems" affords us an alliance within the sovereignty of the PRC territory, and links all workers, peasants, and other socialist laborers and patriots in the socialist China mainland with all patriotic compatriots and Overseas Chinese in some regions where capitalism is practiced such as Taiwan, Hong Kong, and Macao, and even includes all the Chinese people and foreign citizens of Chinese origin who support reunification of the motherland.
3. The concept of "one country, two systems" is directly and indirectly connected with our whole united front work at home and abroad. Hong Kong is an international city. From 1 July 1997, the Hong Kong people-administered government which is directly under the authority of the central people's government will be a united front regime. In implementing the Sino-British agreement on the question of Hong Kong, we should do our best in the united front work not only among the people of all circles in Hong Kong, but also among the British Government officials and people as well as foreign friends in various parts of the world. Meanwhile, in helping Taiwan to return to the embrace of the motherland and promoting the third KMT-CPC cooperation, we should implement united front policies in an all-round way by having our feet firmly planted at home while keeping in view abroad. We should wait with patience and should do painstaking work on our own initiative.

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CHINA
PRC NATIONAL AFFAIRS

The industrial and clever Hong Kong people are lovers of both the motherland and Hong Kong. The Taiwan people and most people in the Taiwan authorities always have the motherland at heart and are eager for peaceful reunification of the motherland. As long as we can successfully integrate Marxism and Leninism with the practice of seeking peaceful reunification of the motherland, the concept of "one country, two systems" will certainly come true step by step.

STATE COUNCIL APPROVES SHANGHAI DEVELOPMENT PLAN

OW141209 Beijing XINHUA in English 1146 GMT 14 Mar 85

[Text] Beijing, March 14 (XINHUA) -- The State Council has approved Shanghai's plans to become a major attractor of foreign trade and advanced technology and adapt itself quickly to the international market. In an official reply to the municipal party committee last week, the State Council urged Shanghai to earn more foreign exchange as an export center and expand domestic business. Shanghai, it said, should capitalize on its advantages and open wider to the outside world. Foreign investment and advanced technology should be introduced more rapidly to systematically upgrade industry. Factories must increase production of popular, high-quality lines.

The order of priority is to be trade, industry and agriculture. Industry is to abandon its reliance on cheap, quantity products in favor of high technology-intensive quality consumer goods.

The service industry is to be greatly expanded.

Direct foreign trade is to be extended from the city proper to Shanghai's ten county towns, satellite towns where industry and scientific research are concentrated, and rural areas with foreign-funded farming, forestry, animal husbandry and fish-farming. These areas will enjoy the flexible policies and preferential treatment already in force in the 14 coastal cities and special economic zones open to foreign trade. The municipal government will be authorized to reduce or waive taxes on foreign businesses and Sino-foreign joint ventures and cooperative enterprises.

HU YAOBANG CITED ON PROMOTING NATIONALITY DANCE

OW140123 Shanghai JIEFANG RIBAO in Chinese 7 Mar 85 p 1

[From YISHU TONGXUN [5770 2611 6639 6061 Arts Tabloid] -- date not given]

[Text] Comrade Hu Yaobang said recently: It is necessary to promote vigorously the dance of all nationalities in the country. Minority nationalities are imbued with a rich dance tradition and each has its own special characteristics. In standardizing the dance of minority nationalities, some comrades have frequently deleted their special characteristics and arbitrarily substituted the Han nationality's acrobatic movements or those of the Peking Opera or even ballet. This is a serious drawback. Our comrades should be reminded that dance without national characteristics does not have vitality.

NPC INSPECTION GROUP REPORTS TO SHANGHAI FORUM

OW142341 Shanghai City Service in Mandarin 0100 GMT 12 Mar 85

[Text] At a forum to report on their inspection tour the morning of 11 March, some NPC deputies suggested that Shanghai continue to accelerate the pace of simplifying administration and delegating more power to lower levels, and invigorate enterprises by further relaxing restrictions.

These deputies learned from their inspection tour in Shanghai that the city's economic reform has had a good start but is not developing in a balanced way. Some grass-root cadres complained that they have no say in making decisions on matters of personnel, finance, material resources, production, supply and marketing, and therefore have no way to contribute their efforts.

On correcting the unhealthy tendencies arising from the new situation, the deputies deemed that while resolutely carrying out the central authorities' instructions to stop the evil trends, it is also necessary to pay attention to preventing the emergence of a new big pot in the course of reform. Some deputies noted that in issuing bonuses, enterprises should refrain from following a certain rigid pattern but should also take the initiative of the masses.

Leading comrades of the municipal party committee, the municipal People's Congress, and the municipal government, including Hu Lijiao, Wang Daohan, and Ruan Chongwu, attended the forum and heard the deputies' opinions. Mayor Wang also briefed the deputies on the latest situation of the municipality's work for 1985.

WANG FANG, OTHERS PLANT TREES IN ZHEJIANG 12 MAR

OW150022 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 12 Mar 85

[Text] Today is Arbor Day. Around 0800 this morning, more than 200 leading provincial party, government, and military leaders and provincial-level cadres went to the new (Jiaohui) housing complex in Hangzhou to plant trees and beautify the surroundings. They planted over 400 camphor, peach, and tobinax saplings around some residential buildings.

While taking a break, Wang Fang, Xue Ju, and other provincial and city leaders said to comrades of departments concerned: Greening the country is every citizen's obligation. We should mobilize the masses by raising funds to plant trees and grow grass and flowers. In this way we can make our urban and rural areas green and beautiful.

Shortly afterward they inspected saplings planted last year. Seeing the trees are growing well, the leading comrades cheerfully stressed the importance of ensuring both quantity and quality in greening work.

In Hangzhou some 500 cadres also went to the (Huaisha) and (Hukou) Roads and the (Santan) Garden to plant trees and beautify the city.

GUANGDONG SCHEDULES MAY PEOPLE'S CONGRESS SESSION

HK150327 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 14 Mar 85

[Excerpts] The 12th meeting of the 6th provincial People's Congress Standing Committee opened this morning. The meeting approved a decision on convening the third session of the sixth provincial People's Congress in Guangzhou in mid-May.

Vice Governor Yang Li gave a report on his visit to Guadalcanal in the Solomon Islands. Vice Governor Wang Pingshan reported on views on dealing with bill No 8 of the second session of the sixth provincial People's Congress on speeding up reform, developing education in Guangdong, and changing the backward state of education in the province. The meeting will last 3 days.

HAINAN PLA STRESSES STOPPING UNHEALTHY TENDENCIES

HK060520 Haikou Hainan Island Service in Mandarin 0400 GMT 6 Mar 85

[Text] Yesterday morning, Hainan Military District held a meeting for cadres and fighters of organizations and PLA units stationed in Haikou, as well as their workers, relatives, and party members. At the meeting, the military district mobilized the entire staff of party members to promptly take the lead in rectifying new unhealthy tendencies.

At the meeting, Wang Xing, CPC Committee secretary and political commissar of the military district, made a mobilization report before more than 600 party members. Comrade Wang Xing first publicized the Central Discipline Inspection Commission's recent document on resolutely rectifying new unhealthy tendencies. Then, by integrating work with realities, he talked about the importance and urgency of rectifying new unhealthy tendencies.

He said since the CPC Central Committee and the State Council adopted the special policy of opening to the outside in the case of Hainan, its military district's units have done a lot of work. This has greatly promoted the work of supporting the development and building of the district and invigorating the economic construction of PLA units. However, economic reform is very complicated work. Because the leadership of CPC committees at various levels only have a feeble concept of the overall situation, policy, and discipline, the leadership has forgotten the aim of serving the people, and such unhealthy tendencies as violating regulations to do business and run enterprises have developed.

Then, Comrade Wang Xing [passage indistinct] put forward specific rectification and correction measures to deal with the new unhealthy tendencies. He urged party organizations at various levels, both newly recruited and veteran party members, to study and implement seriously the important instructions of the documents of the Central Discipline Inspection Commission, the three general departments, and the Guangzhou Military Region on rectifying new unhealthy tendencies. He urged them to take the lead in straightening out thinking and checking mistakes. In the course of rectifying the new unhealthy tendencies, we should act resolutely and promptly. We must live up to what the upper level expects when implementing its instructions. We must also strictly enforce orders and prohibitions.

(Peng Weiqiang), CPC Committee deputy secretary and commander of the military district, also spoke at the meeting.

1. 15 Mar 85

C H I N A
HONG KONG MEDIA ON CHINA

W 1

PRC FOREIGN MINISTRY SPOKESMAN ON SINO-SOVIET RELATIONS

HK150152 Hong Kong TA KUNG PAO in Chinese 15 Mar 85 p 2

["Special Dispatch" from correspondent Hou Tung-hai: "Foreign Ministry Answers Our Questions on Li Peng's Talks in the Soviet Union"]

[Text] Beijing, 14 Mar -- A Foreign Ministry spokesman said today in answer to this correspondent's question that the Soviet Union is a socialist country, and expressed the hope that relations between the two countries would further improve through efforts on both sides.

The following is the text of the questions and answers:

Question: Vice Premier Li Peng has publicly praised the Soviet Union's achievements in socialist construction. Does this mean that China acknowledges that the Soviet Union is a socialist country? Does it mean that China has changed its view of the Soviet Union?

Answer: The Soviet Union is a socialist country. With regard to Sino-Soviet relations, we have always advocated building and developing good neighborly relations on the basis of the five principles of special coexistence. We hope that relations between the two countries will further improve through efforts on both sides.

Question: What is China's view on the prospects for Sino-Soviet relations?

Answer: Over the past year, Sino-Soviet relations have made progress in many fields. The leaders of the two countries recently expressed hopes for further improving relations. China hopes that relations between the two countries will further improve through the common efforts of both sides. This is not only in the fundamental interests of the Chinese and Soviet peoples but is also beneficial for peace in Asia and the world.

HSIN WAN PAO ON PROSPECTS OF GORBACHEV'S LEADERSHIP

HK141350 Hong Kong HSIN WAN PAO in Chinese 13 Mar 85 p 1

["New Talk" column: "Possibilities of Gorbachev's Leadership"]

[Text] Despite a change of three leaders in the Kremlin over the short period of 28 months, the greatest amount of international attention has focused on the current selection of Gorbachev as general secretary of the Soviet Communist Party.

Gorbachev's appointment was officially announced 1 hour after the Kremlin's official announcement of Chernenko's death. This is unprecedented in Soviet politics. Some people have said that it was a much smoother transition compared to when Andropov and Chernenko took over. This shows that the Soviet leadership had achieved a relative consensus on the appointment of a successor.

But some people point out that a sudden slash of 20 years from a leader of more than 70 to one in his fifties means a leap from the first line to the third line, with the second line missing in transition. Therefore, it will take time to observe whether Soviet policy will continue as it is or will be a case of change, whether gradual change, sudden change, little change, or big change.

This leap actually reflects the realities of Soviet politics. First, the heavy toll of first-line young and able-bodied cadres during World War II has resulted in a shortage, 40 years later, of relatively outstanding cadres in their sixties.

Of course, it cannot be said that there are no capable cadres in their sixties, but other factors come into play. Lifetime tenure has resulted in the Soviet Union since World War II.

Especially during the 18-year rule of Brezhnev, proper concern was not shown for the second line, so that when the time came for the choice of a successor, it was impossible to find a proper choice from this line. Thus, Gorbachev, an outstanding performer, has been honored with the appointment.

Gorbachev is relatively inclined toward reform. He won much praise from Westerners during his visit to Britain last year. In his first speech after his assumption of office, he made proper assessments of Andropov and Chernenko, but did not say much about Brezhnev's political achievements. People have begun to judge his future course of action on the basis of this.

The U.S.-Soviet nuclear arms reduction talks, which had been interrupted for more than a year and a half, had just resumed in Geneva when the change of leadership took place in the Kremlin. The Soviet delegation immediately announced that instructions had been received from Gorbachev to continue the talks as usual. Although the world pins its hopes on the current talks, the majority of people have expressed pessimism. Therefore, some people hold that a joint especially worth noting is whether Gorbachev will take a new position on this problem or adhere to the Soviet Union's original stand.

People in international circles hold that in handling the problem of the U.S.-Soviet nuclear arms race left by Brezhnev, Andropov and Chernenko each made mistakes. Andropov's mistake lay in cutting short the U.S.-Soviet nuclear arms reduction talks and refusing to have any further dialogue. Chernenko's mistake lay in his decision not to participate in the Los Angeles Olympics. These two things left West European countries and their people disappointed and only served to drum up support for U.S. President Reagan's policy calling for increased military appropriations and the manufacture of new weapons.

These two decisions were, of course, not personal ones by Andropov and Chernenko. Moreover, following Chernenko's long confinement to his sickbed, the Soviet Union agreed in the second half of last year to the decision to reopen the U.S.-Soviet talks. Gorbachev also paid a special visit to Britain. Some people therefore hold that all this is a precursor of a new Kremlin stand. Given Gorbachev's official assumption of office, this new stand is likely to become more obvious.

If this view is correct, the new Soviet leaders are likely to vigorously sing the praises of detente and strive to win the sympathy of Western Europe and of more countries. This is a new challenge to U.S. President Reagan, who assumes a position favoring preparations for war and who, in his seventies, is advanced in age. This calls for his presenting a new face in coping with the situation.

PRC CADRES TO GET 20 PERCENT PAY INCREASE IN JULY

HK150715 Hong Kong MING PAO in Chinese 10 Mar 85 p 5

["Special Dispatch From Shanghai": "Cadres' Salaries To Be Adjusted in July; Average Rise To Be 20 percent"]

[Text] It has been decided by the CPC central authorities and the State Council that reform of the wage system will be carried out in an all-round way this year in various enterprises, institutions, and state organs. The wage reform has been started in various enterprises. The principle for the new wage system is to link workers' wages and bonuses with the economic results of their enterprises. The wage reform in institutions and state organs will begin in July, and the average wage rise will be 20 percent.

In a speech at a recent conference, Zhao Shaoyi, minister of labor and personnel, said: The program for reform of the wage system in state organs and institutions has been formulated and will be put into effect in July.

This time, the average wage level will be raised by 20 percent, which marks a record growth rate in a single round of wage adjustment in the past 30 years and more.

Recently, a responsible person of the Shanghai Municipal Bureau of Labor, talking about the prospects for wage reform in enterprises this year, said: In general, industrial enterprises can link their payroll with their tax and profit contributions to the state, and the enterprises whose final products are not varied can link their payroll with the total sales of their products. Transport enterprises can link their payroll with their freight volume or their transport mileage. Commercial enterprises and those in various service trades can link their payroll with their business turnover and their tax-profit contributions. Construction and mining enterprises can link their payroll with their output value. Besides, in the enterprises which are allowed to operate at certain financial losses, the wage increases can be linked with the reduction in those losses. The state will give appropriate subsidies to the enterprises which gain modest profits because of the adverse effect of the unreasonable prices.

He said: The Shanghai Municipal Government has decided that all enterprises which have accomplished consolidation and have been accepted by the authorities after examination and which have a sound management foundation and a normal production process on the basis of independent economic accounting can apply to sign a payroll contract with the state authorities so as to place their payroll on a floating basis, changing in line with the economic results of their operations.

This responsible person pointed out that after the payroll of an enterprise is decided on a contract basis, the state will no longer care about the internal distribution of the incomes in the enterprise, which is then allowed to determine the wage forms on its own in light of the characteristics of its operations.

He said: Last year, some enterprises in Shanghai adopted a new wage package scheme as an experiment. The wage package was generally divided into four to eight items, including basic wages, wages appropriate to posts (administrative or technical posts), wages based on work norms or work efficiency, and wages based on attendance. All these methods are experimental. In general, all units will implement the wage reform program formulated by the CPC central leadership and the State Council.

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